QUICKBOOKS ONLINE CERTIFICATION COURSE

Supplemental Guide

Module 2: **Setup**

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About the Author

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Heather has been helping users learn and use QuickBooks since the late 1990s. Her passion is helping others improve their business accounting processes through the use of QuickBooks and related apps, and spreading her knowledge and experience with others through blog articles, live events and webinars.

As owner and founder of Satterley Training and Consulting, Heather works with accounting professionals to create accounting systems and procedures using QuickBooks and related applications that simplify and streamline their day to day workflows. She is Advanced Certified in QuickBooks Desktop and Online as well as POS Desktop and QuickBooks Enterprise. In addition to QuickBooks related services, Heather is also an Enrolled Agent licensed to practice before the IRS.

Heather was named a Top 100 ProAdvisor by *Insightful Accountant* in 2014, 2015 and 2016. She is a member of the Intuit Trainer/Writer Network.

Thank you to MB Raimondi, CPA, and Emily Daigle for their thorough review and many contributions to the content presented.

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Supplemental Guide Overview

PURPOSE OF THIS GUIDE

The recorded module provided a products overview, covered navigation points of both QuickBooks Online and QuickBooks Online Accountant, and provided guidance on how to set up clients in QuickBooks Online. This guide is an accompaniment to the recorded content and contains additional features such as best practices and tips to help you learn the products.

NOTE: *Screenshots and instructions included in this guide use Google Chrome as the browser. It may be downloaded free here: https://www.google.com/chrome/.*

Many users feel Chrome works best for QuickBooks Online.

Currently, the minimum operating requirements for QuickBooks Online will work with the following supported web browser versions:

- Google Chrome, latest version
- Firefox, latest version
- Safari 6.1
- Internet Explorer 10

Learning Objectives

In this module you will complete the following hands-on activities related to the learning objectives:

- Specify the steps to create a new QuickBooks Online Company
- Recognize the steps to manage Account and Settings
- Identify accounting-related preferences
- Identify sales-related preferences
- Identify expense-related preferences
- Specify the steps to set up and modify lists and users
- Identify the steps to import data into QuickBooks Online

TRAINING AT A GLANCE TABLE

Use this as a guide to select specific training you want to cover.

TOPICS	SUB-TOPICS	LEARNING OBJECTIVE
1. CREATE A NEW QUICKBOOKS ONLINE COMPANY	• Create a new QuickBooks company • Use the Set-up Wizard	• Specify the steps to create a new QuickBooks Online Company
2.MANAGE ACCOUNT AND SETTINGS	• Company Settings • Billing & Subscription • Sales settings • Customize forms • Expenses settings • Payments settings • Advanced settings • Accounting-related preferences	• Recognize the steps to manage Account and Settings • Identify accounting-related preferences • Identify sales-related preferences • Identify expense-related preferences
3. SET UP AND MODIFY LISTS AND USERS	• Working with lists • Chart of Accounts • Products and Services list • Working with the Customers, Vendors and Employees lists • Manage users	• Specify the steps to set up and modify lists and users
4. IMPORT DATA INTO QUICKBOOKS ONLINE	• Import lists into QuickBooks Online • Import from QuickBooks Desktop	• Identify the steps to import data into QuickBooks Online

QuickBooks Accountant Test Drive

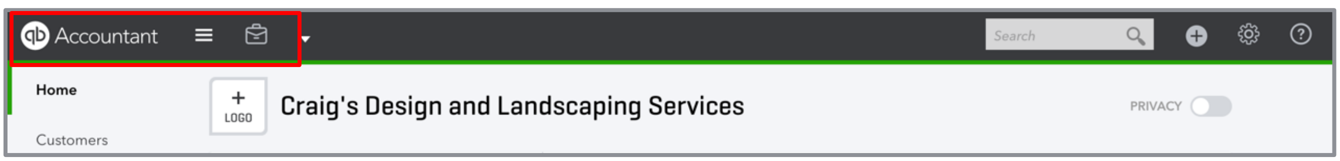
Exercises contained in this handbook can be completed using a QuickBooks Accountant “test drive” file. The test drive uses a sample company file called Craig’s Design & Landscaping Services. It can be accessed through the following link:

Craig's Design & Landscaping

You don’t have to create an account or sign in to access the test drive file, just complete the security validation and click **Continue**.

If you don’t see the Accountant Toolbox when logging in through this URL, log into qbo.intuit.com with your Intuit ID. Click the name of a QuickBooks Online Accountant firm. Navigate to the **gear** icon, then click **Sample Company**.

This is what you are looking for in the sample company.



This test drive is designed for you to explore and try out new things without worrying that you will break something or make a mistake. It is not designed to retain any changes you make. Once you close this QuickBooks Online test drive company it is completely refreshed, so please remember to allow sufficient time to complete each activity. Don’t worry if you have to close the test drive before you are finished, you can always begin again.

NOTE: *The test drive uses QuickBooks Accountant. It contains some features that are not available in QuickBooks Online Simple Start, Essentials or Plus. In addition, some features (such as in-product Help) are not enabled inside this test drive file. This is subject to change.*

NOTE: *There is also a test drive that you can share with your clients that doesn’t include accountant-specific features. It can be accessed through the following link:*

https://qbo.intuit.com/redir/testdrive

QuickBooks Changes

The QuickBooks Online and QuickBooks Online Accountant teams work hard at improving the products throughout the year. Because QuickBooks Online is subscription based, there are enhancements and new features released frequently. Because of this, the screen shots in this guide may look a little different from the product. Some menu items may move or some new features might have been added. The training is still relevant! Use the following resources to keep up with the latest features and improvements.

- In-product notifications
- https://www.firmofthefuture.com/product-industry-news/product-updates/
- http://quickbooks.intuit.com/blog/

Topic 1: Create a New QuickBooks Online Company

Setting up your client's QuickBooks Online company is one of the most important services you will offer your client. In fact, the way you set up the file has the greatest impact on the user's experience with QuickBooks Online. You should take the time to fully understand your client's business and workflows before choosing a subscription level and setting up the company.

In this module we'll discuss:

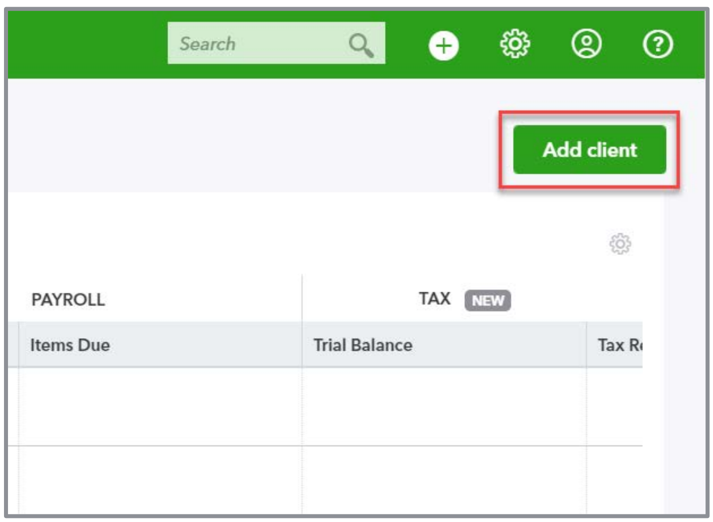
- How to create a new QuickBooks Online company
- How to manage company settings
- How to manage an account
- How to manage users
- How to set up lists
- How to import lists using Microsoft Excel®
- How to convert from QuickBooks Desktop

CREATE A NEW QUICKBOOKS COMPANY

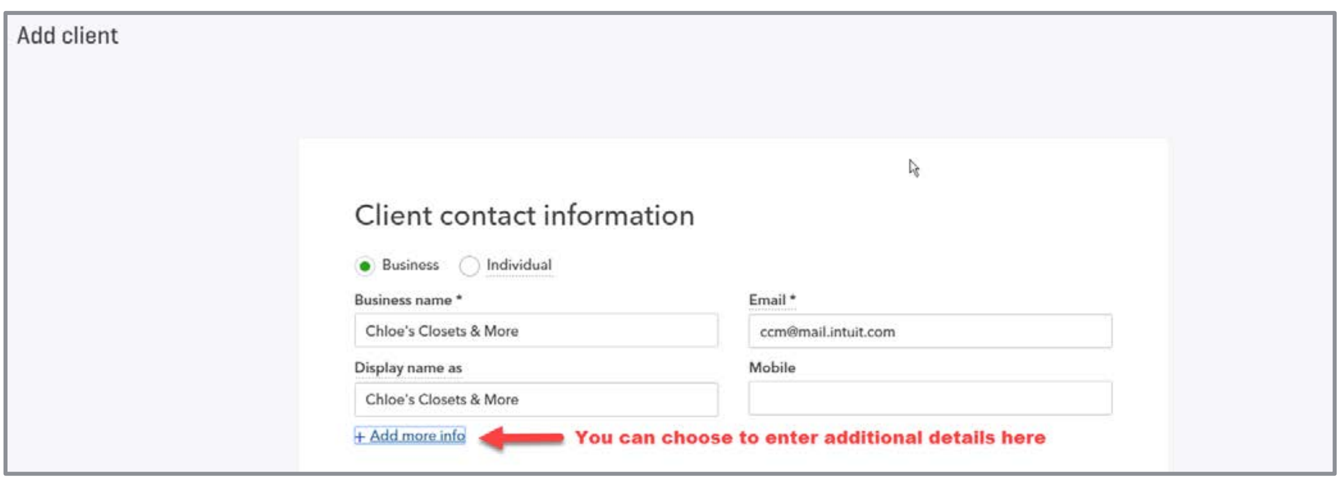
The recommended way to set up a QuickBooks Online company for your client is from within QuickBooks Online Accountant.

Step-by-Step: Add a Client

1. Click **Add Client** from within your QuickBooks Online Accountant Client dashboard.

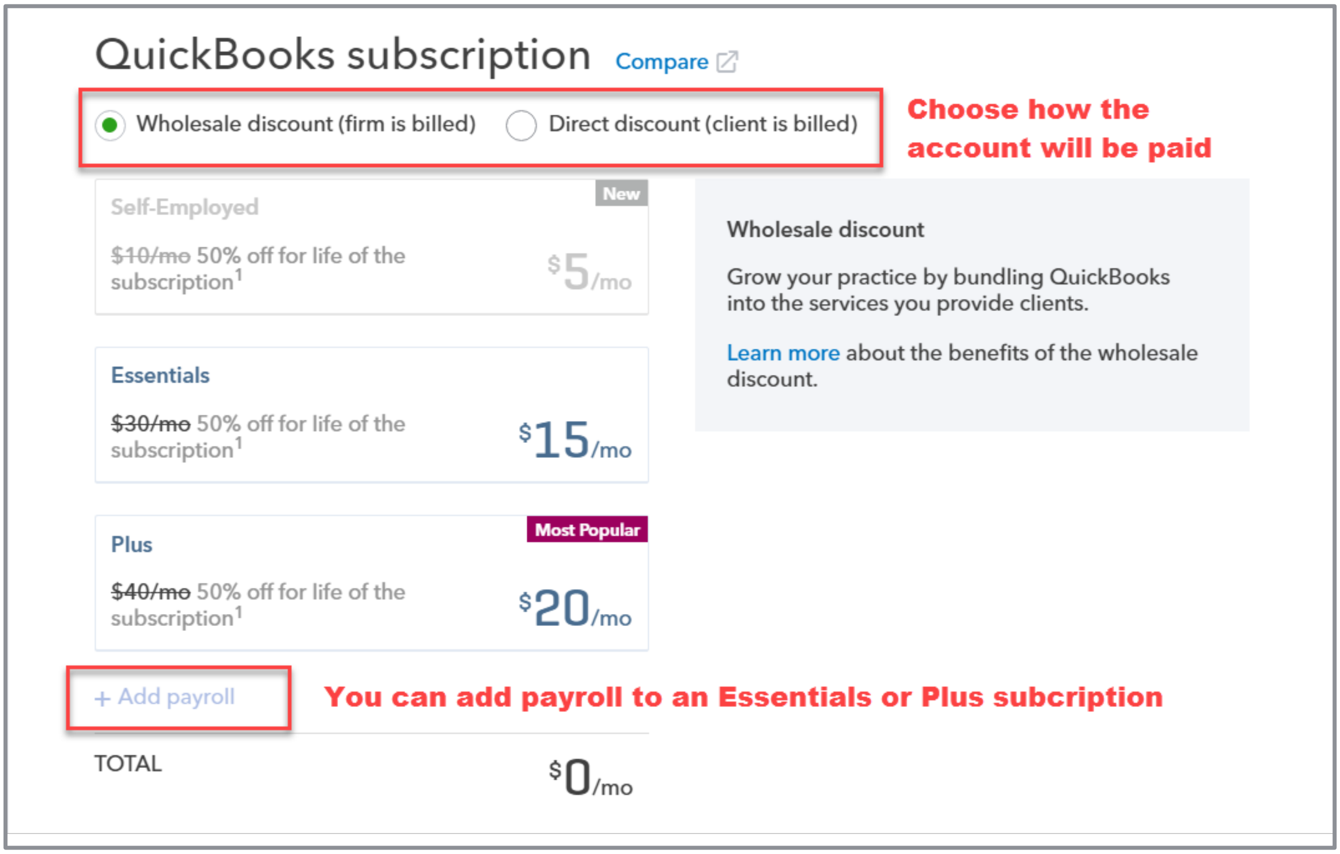


2. Enter the required fields such as name, company, phone number and email.



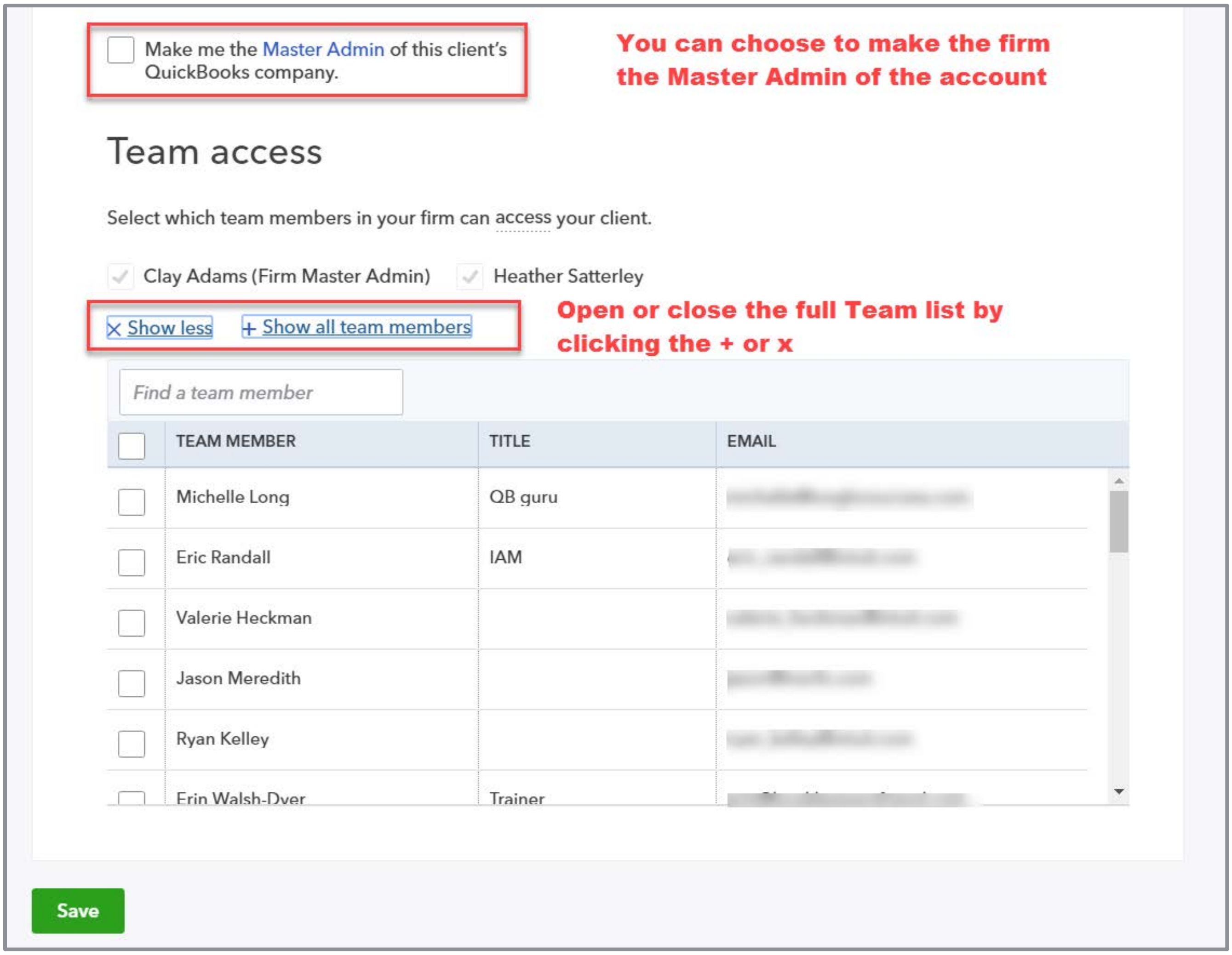
NOTE: *The Display name as field allows you to choose how your client's name appears in your Client list in QuickBooks Online Accountant. You can also choose whether you are adding a business or individual client.*

3. Scroll down the page to choose the type of QuickBooks subscription you want to create. You can choose from QuickBooks Self-Employed, Essentials or Plus. If you choose Essentials or Plus, you will be given the option to add a payroll subscription to the account. You also have the option to add the subscription to your firm's wholesale billing account (firm is billed) or direct discount (client is billed). If you choose direct discount, payment information must be entered within 24 hours after the account is created.



NOTE: *You cannot downgrade a QuickBooks Online Plus subscription to Essentials after it is created. Make sure you know which subscription level you need beforehand or choose Essentials so you can upgrade later if needed.*

4. Scroll down again, choose which members of your firm will have access to this company, then click **Save**.

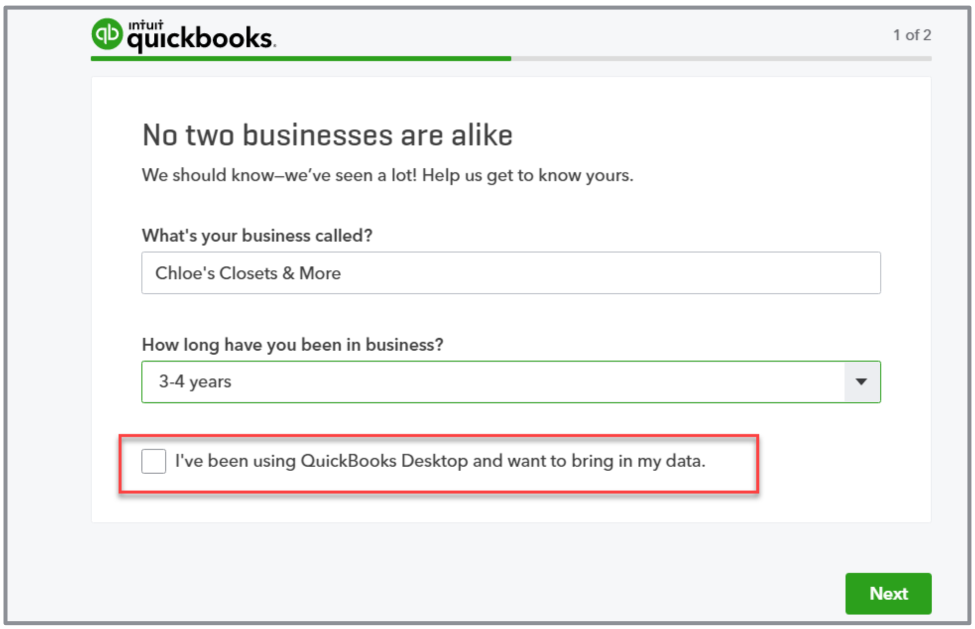


NOTE: *To set up a client for Simple Start you must initiate the process from www.quickbooks.com. You will need to sign up for Simple Start using the client's credentials and invite yourself as an accountant user. You can't add a Simple Start subscription to your wholesale billing account.*

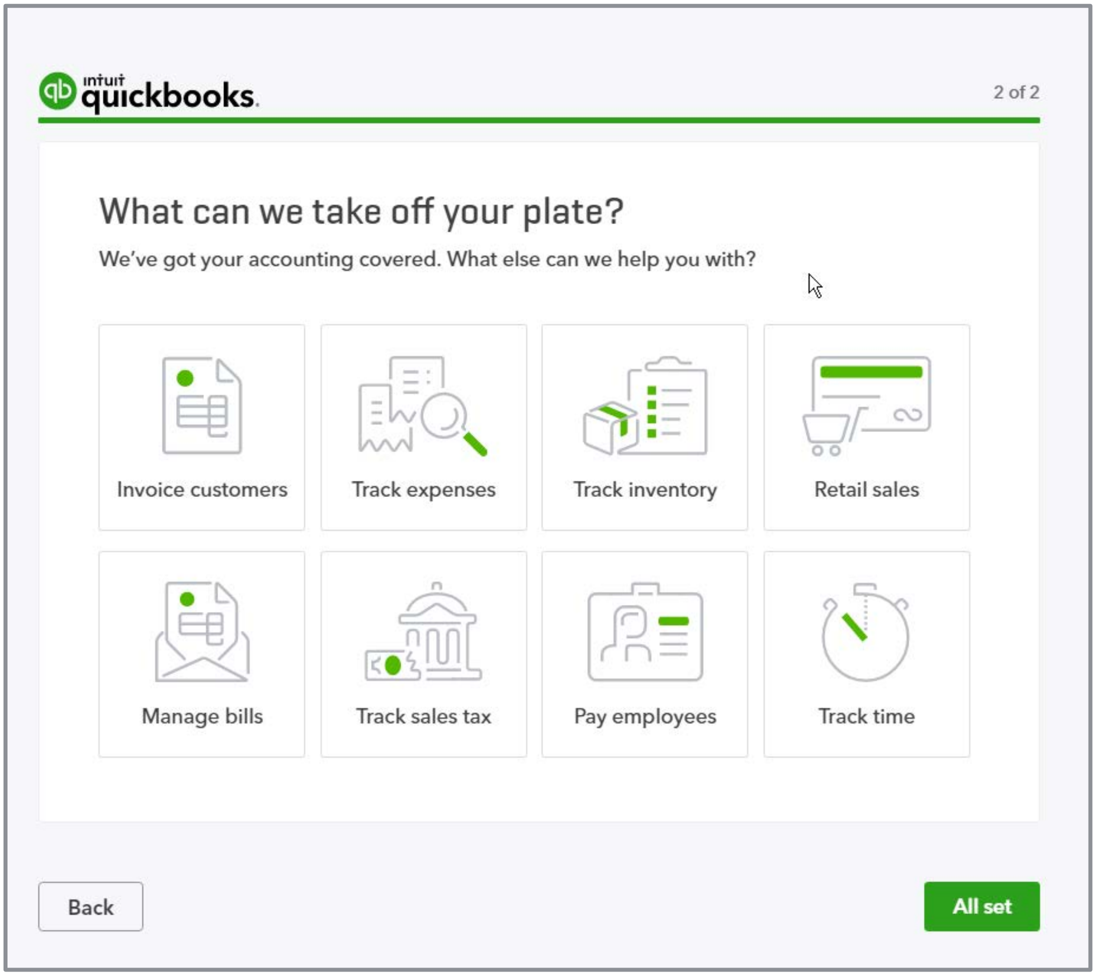
Step-by-Step: Use the Set-up Wizard

Once you have created your client's QuickBooks Online company you can click on the **QuickBooks** icon from your Client list to open it. This launches the Set-up Wizard.

1. Confirm the name of the business then choose how long the company has been in business from the drop-down menu. Check the box if you'll be converting a QuickBooks Desktop data file into the new QuickBooks Online Company. Click **Next**.

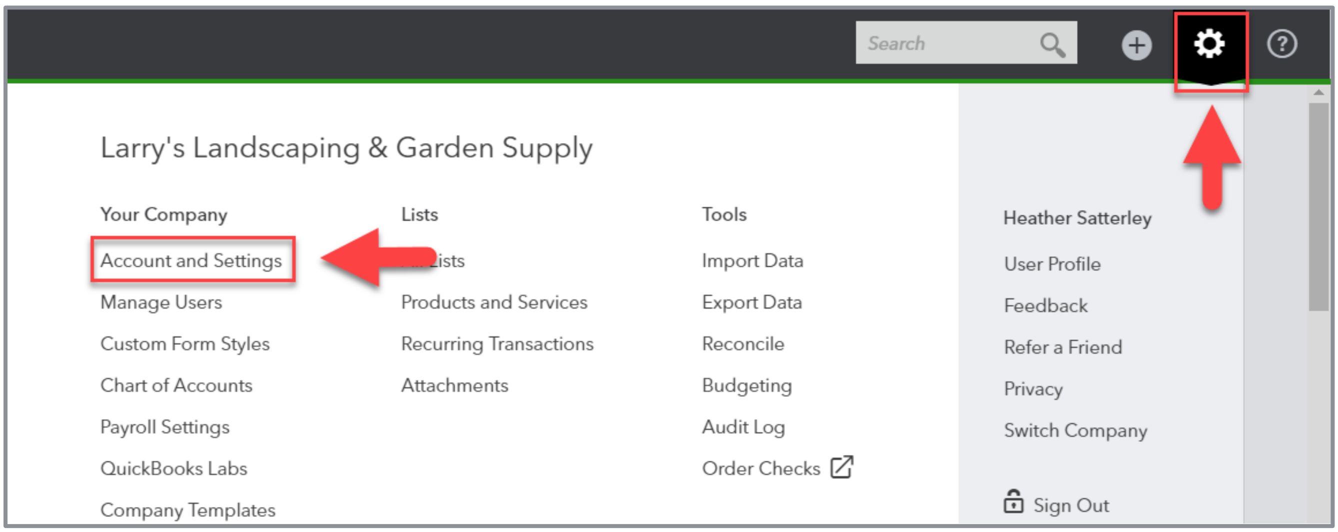


2. The next screen is where you'll start to build the settings in the new QuickBooks Online company based on your selections in the Wizard. Select the features your client will be using, then click **All set**.

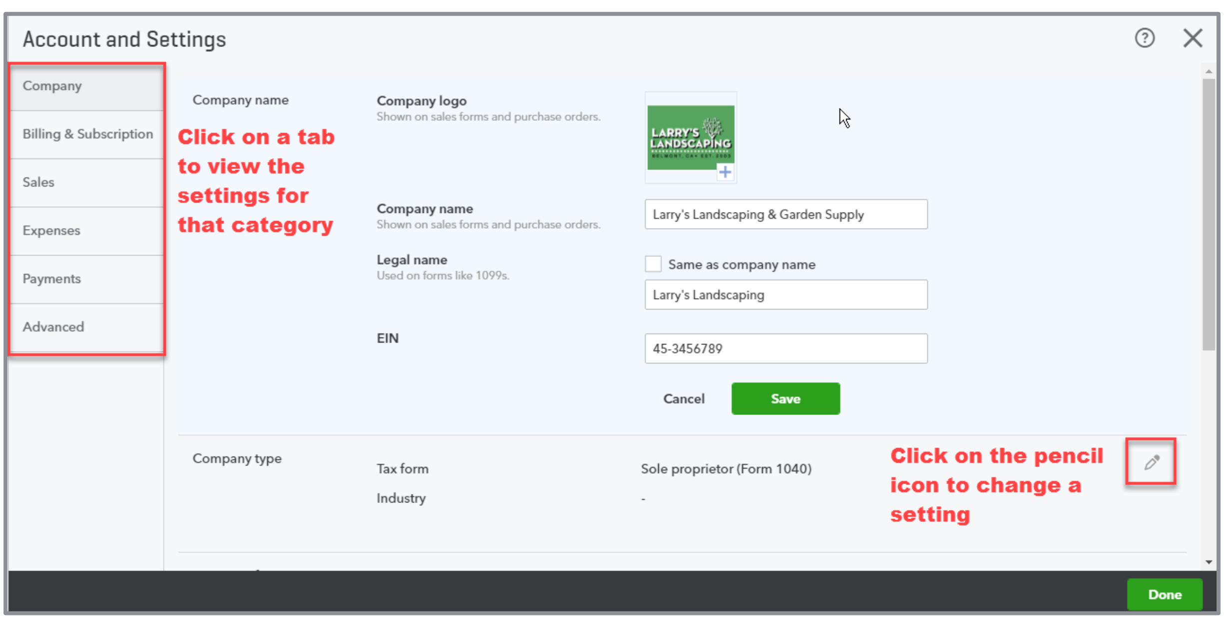


Topic 2: **Manage Account and Settings**

Once the new company has been created, you need to configure the settings in QuickBooks Online to fit the company. To access the Account and Settings screen, click on the **gear** icon.



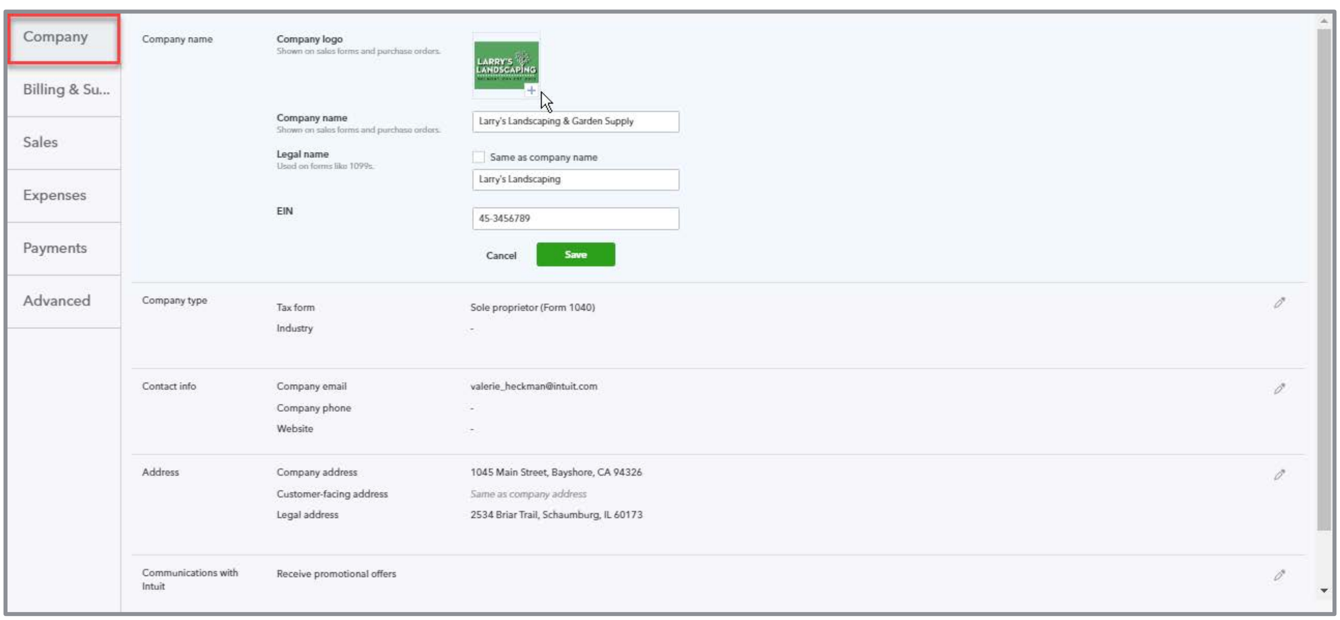
The Settings menu has six tabs: Company, Billing & Subscription, Sales, Expenses, Payments and Advanced. Click on a tab to view the settings for that category. To change a setting, click on the **pencil** icon at the lower right of the section you want to change.

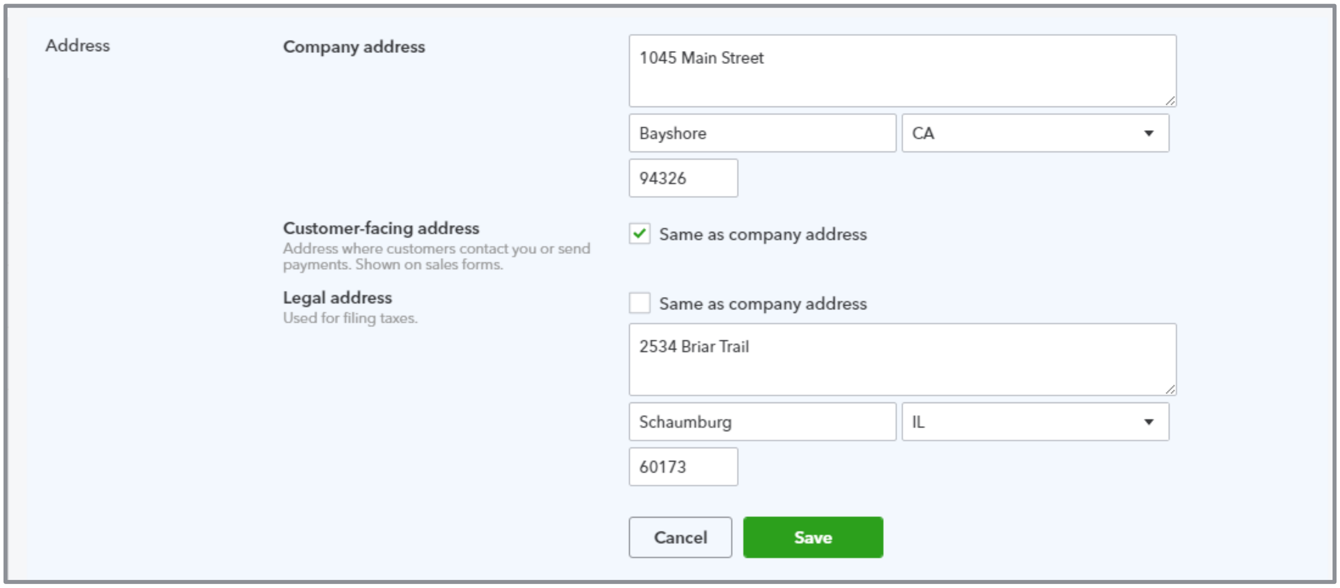


Company Settings

The company settings include:

- **Company name** – Edit the company name. Upload a logo that will appear on sales forms and purchase orders. Enter the legal name of the company and the EIN that will appear on forms like 1099s.
- **Company type** – Choose the appropriate tax form for the company and enter an industry
- **Contact info** – The company email is where you would like to receive notifications from QuickBooks about your account and activity. The customer-facing email will appear on your sales forms and purchase orders. You can also enter the company phone and website that will appear on your sales forms.
- **Address** – Enter the company address, where QuickBooks should contact you, the customer-facing address, which is shown on your sales forms, and the legal address, which is used on your tax forms.
- **Communications with Intuit** – Control the company's promotional offers settings

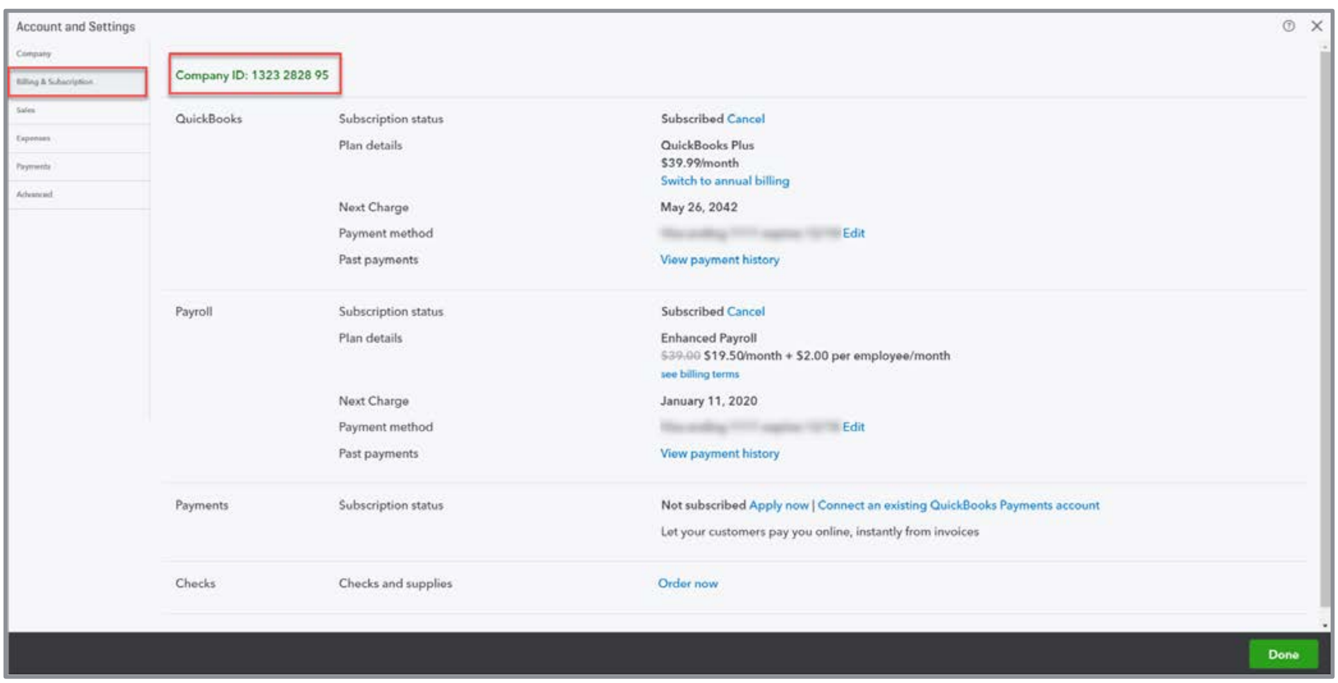



Address
Company address
1045 Main Street
Bayshore
CA
94326
Customer-facing address
Address where customers contact you or send payments. Shown on sales forms.
Same as company address
Legal address
Used for filing taxes.
Same as company address
2534 Briar Trail
Schaumburg
IL
60173
Cancel
Save

Billing & Subscription

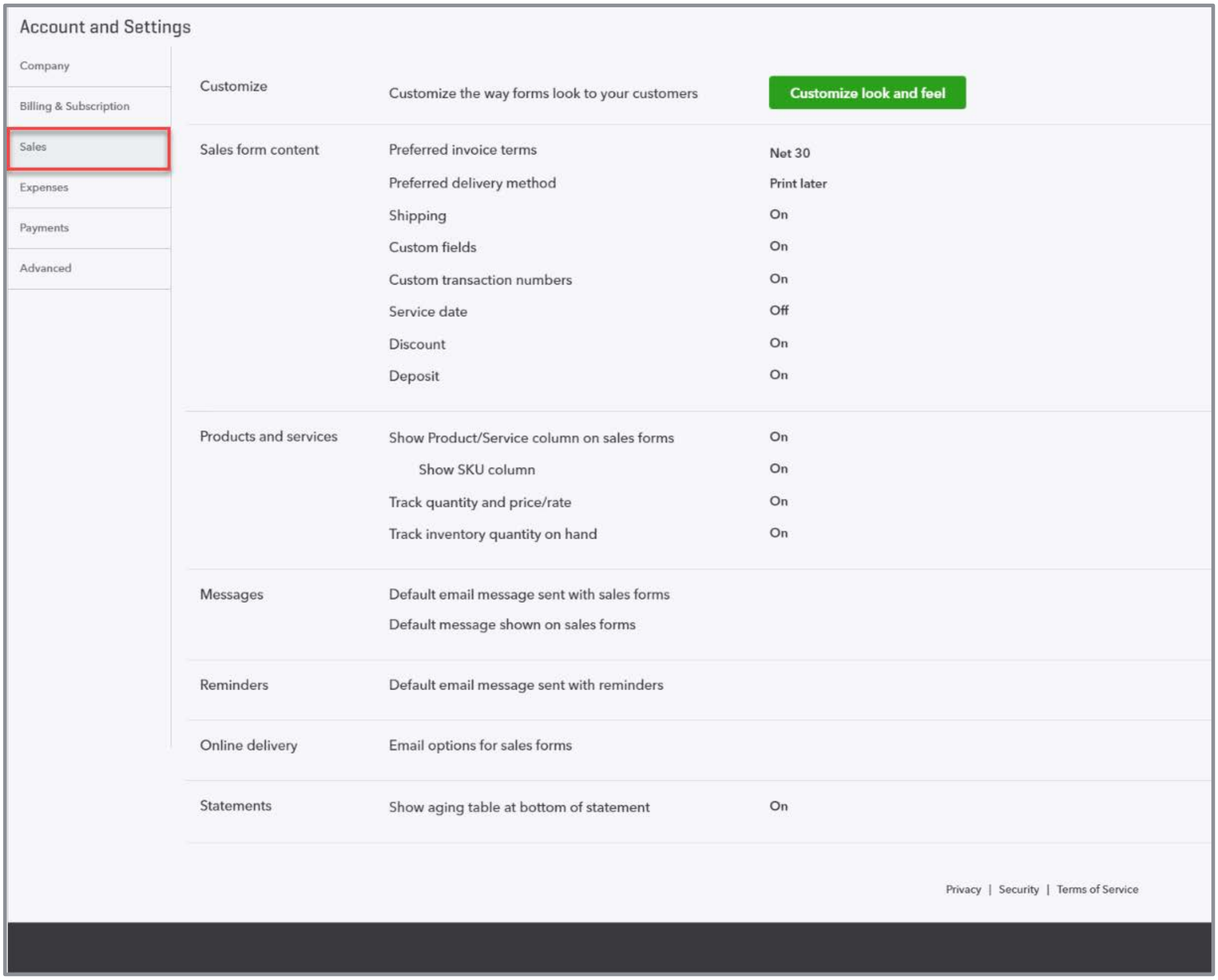
The Billing & Subscription tab includes the Company ID along with:

- **QuickBooks** – Subscription information including subscription status, plan details (subscription level and payment frequency); next charge date, payment method and a link to view your payment history
- **Payroll** – Subscription information including subscription status, plan details, next charge, payment method and past payments
- **Payments** – Where you view the QuickBooks Payments subscription status and information. You can apply for a new account or connect an existing QuickBooks Payments subscription. Once you've signed up, you manage your payments settings in the Payments tab.
- **Checks** – A link to order checks and supplies



Sales Settings

The sales settings define the look and feel of your sales forms – which fields are included on them and delivery options. There are seven categories in the sales settings tab.



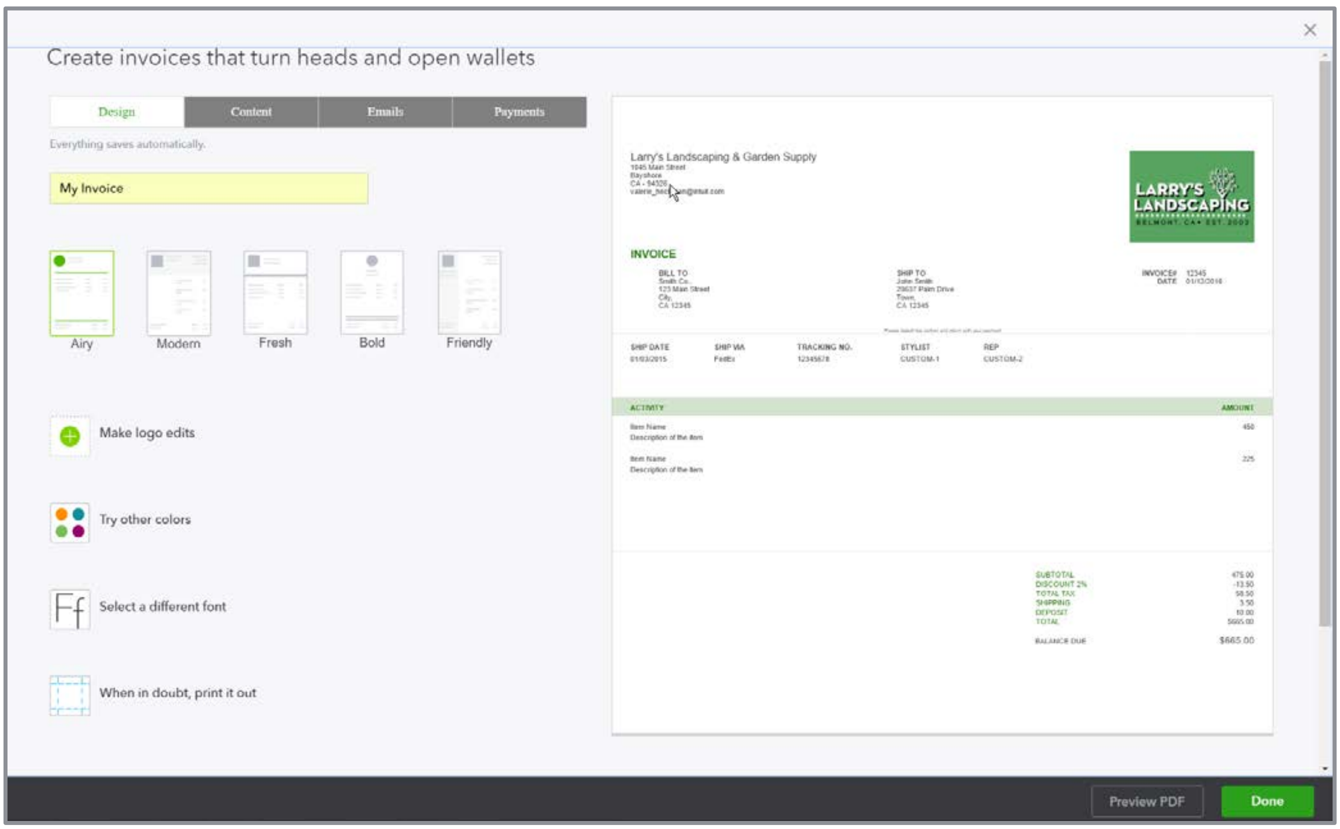
Customize

Click the button in the Customize section to customize look and feel of sales forms. This customization applies to invoices, estimates and sales receipts.

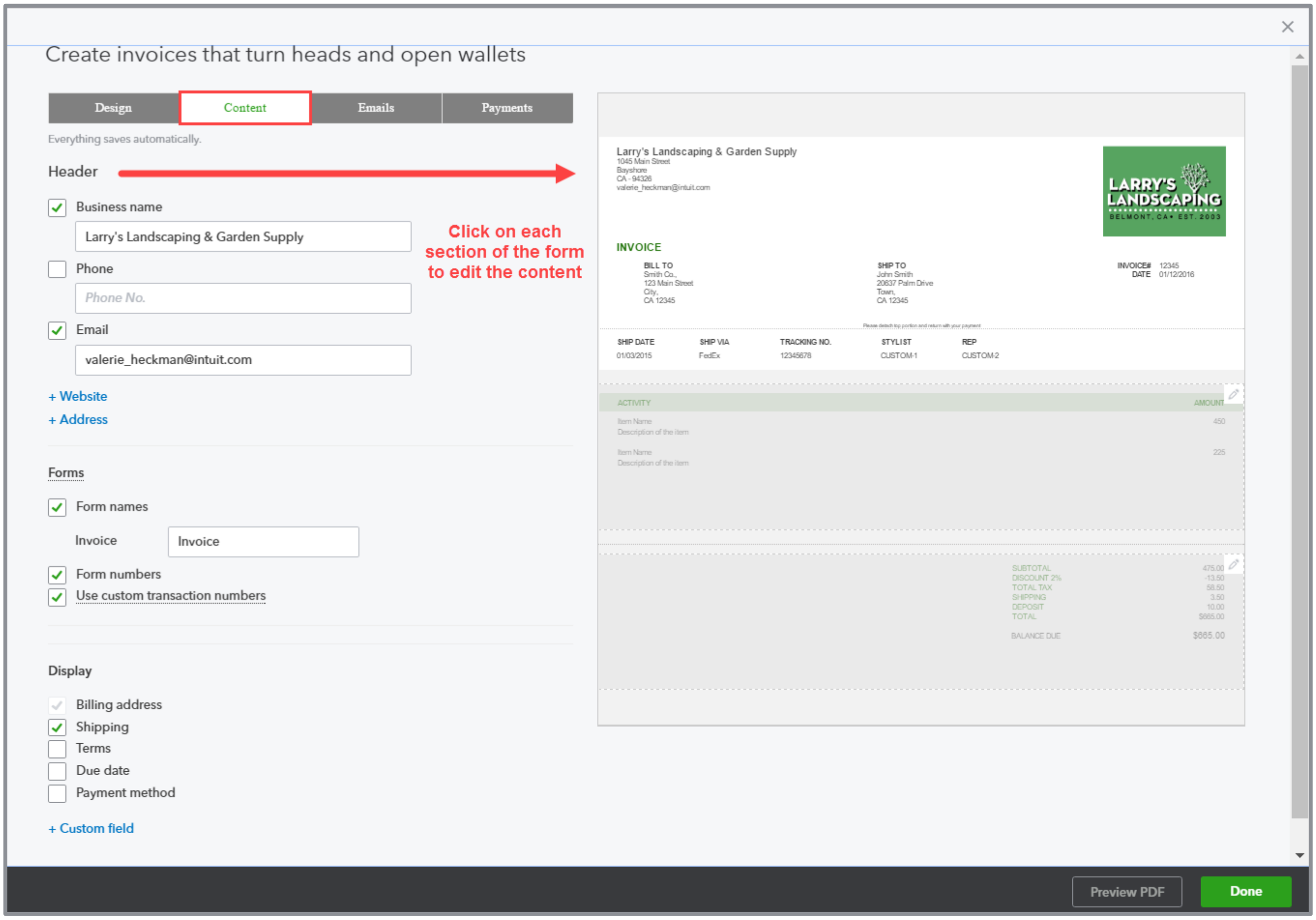
Click the **New Style** drop-down to create a new custom style for an invoice, estimate or sales receipt. If you have existing styles, you can modify them by selecting the **Edit** action on the appropriate row.

The edit style screen is divided into four tabs across the top: Design, Content, Emails and Payments.

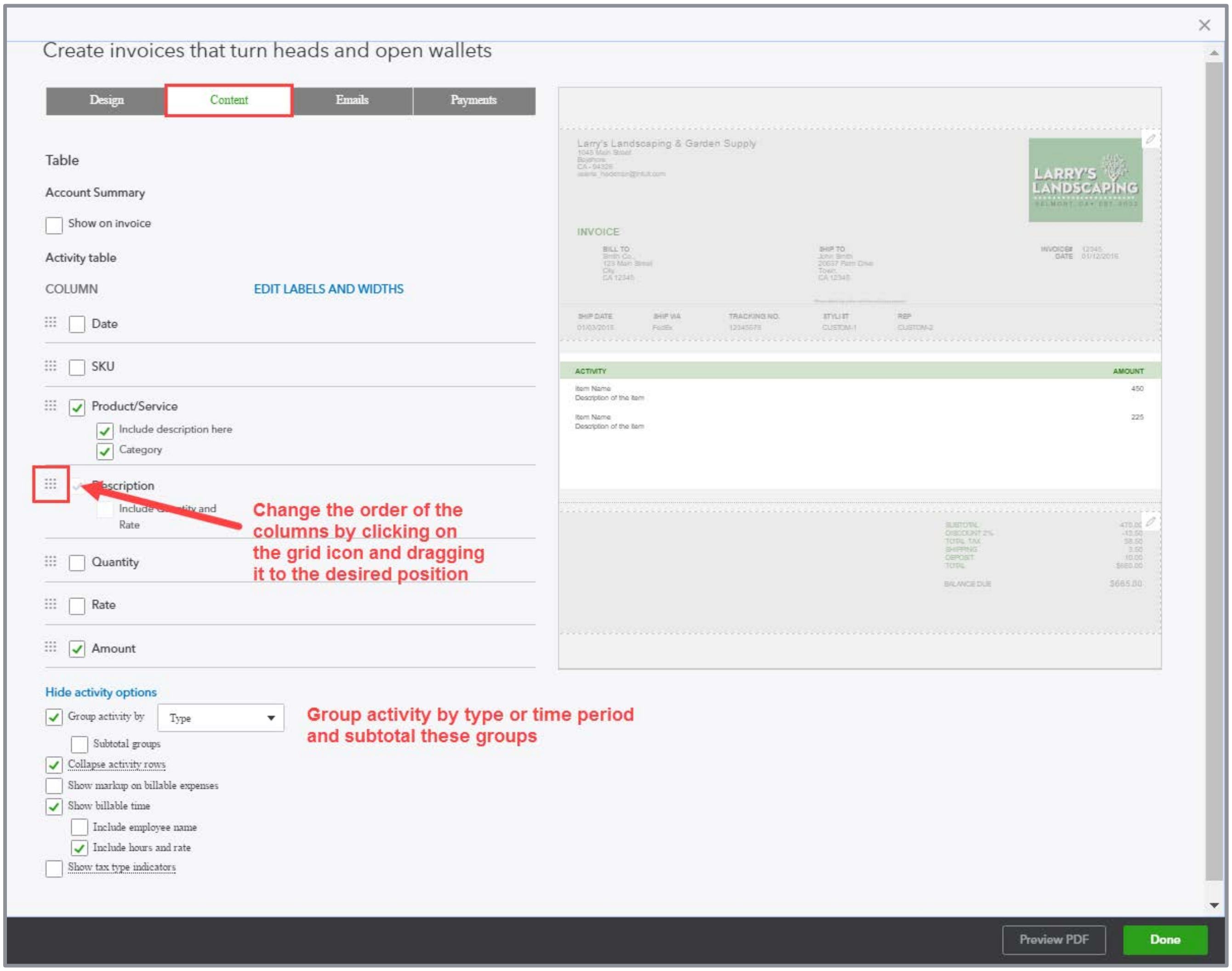
- **Design** – The design section is where you set up the look of the form. You can choose from five pre-designed options. You can use the template as-is or further customize it. Give your style a name, upload a logo and specify the color theme and font for this style.



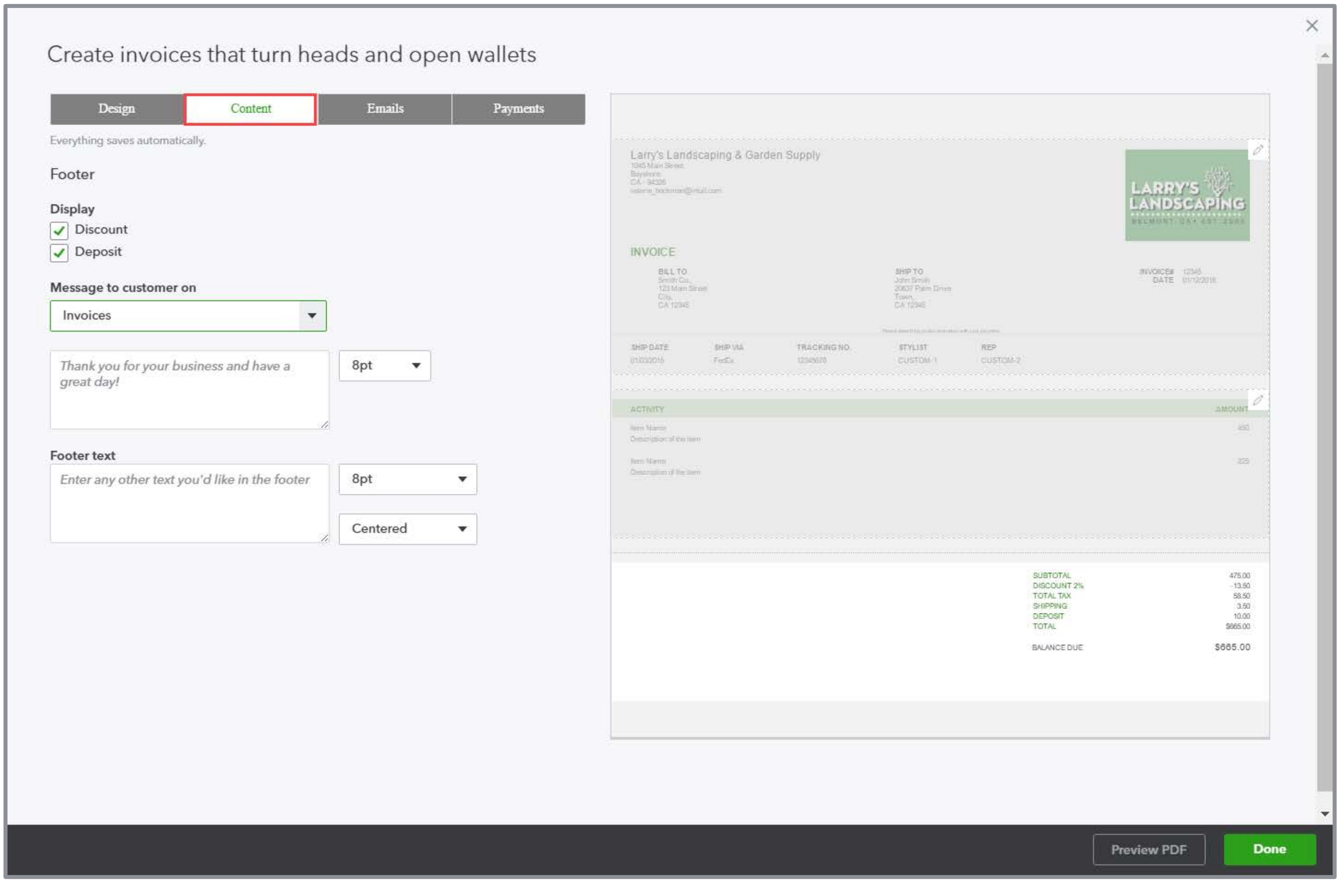
- **Content** – Customize the content included on the form, including the header fields, table (body of the form) and the footer. Click on the **Content** tab at the top, then click on each section of the form preview on the right to edit that section.
  - **Header** – Specify the information and fields that will appear in the header of the form, such company info and customer info. You can also change the form name that appears at the top of the form. An example would be if you wanted to call an estimate a proposal instead.



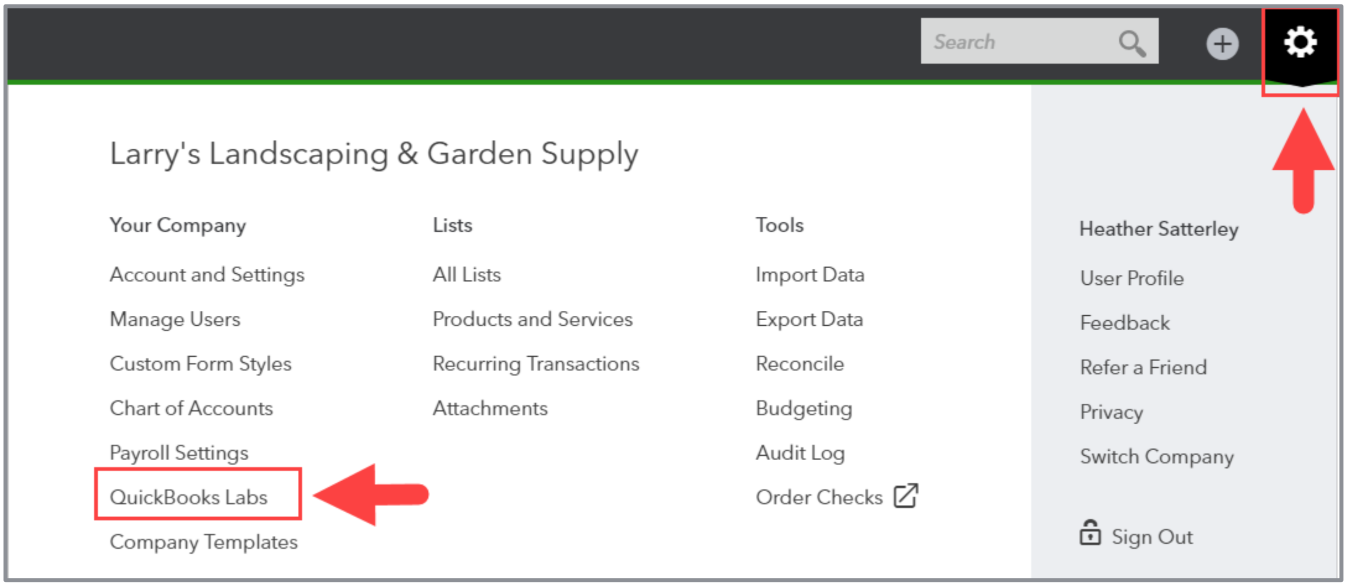
- **Table** – The Table section lets you specify what columns you want to show and in what order on the activity detail section of the sales form. You can group activity by type or time period and subtotal these groups. You can collapse activity rows by combining rows that have the same rate and description and omit dates. There are also settings for billable time and expenses. Specify whether to show or hide the markup on billable expenses. When you invoice for time, you can specify whether to show or hide the employee name, hours and rate.



- **Footer** – You can add the discount and deposit fields to your forms and enter the default message and extra footer text to be displayed.

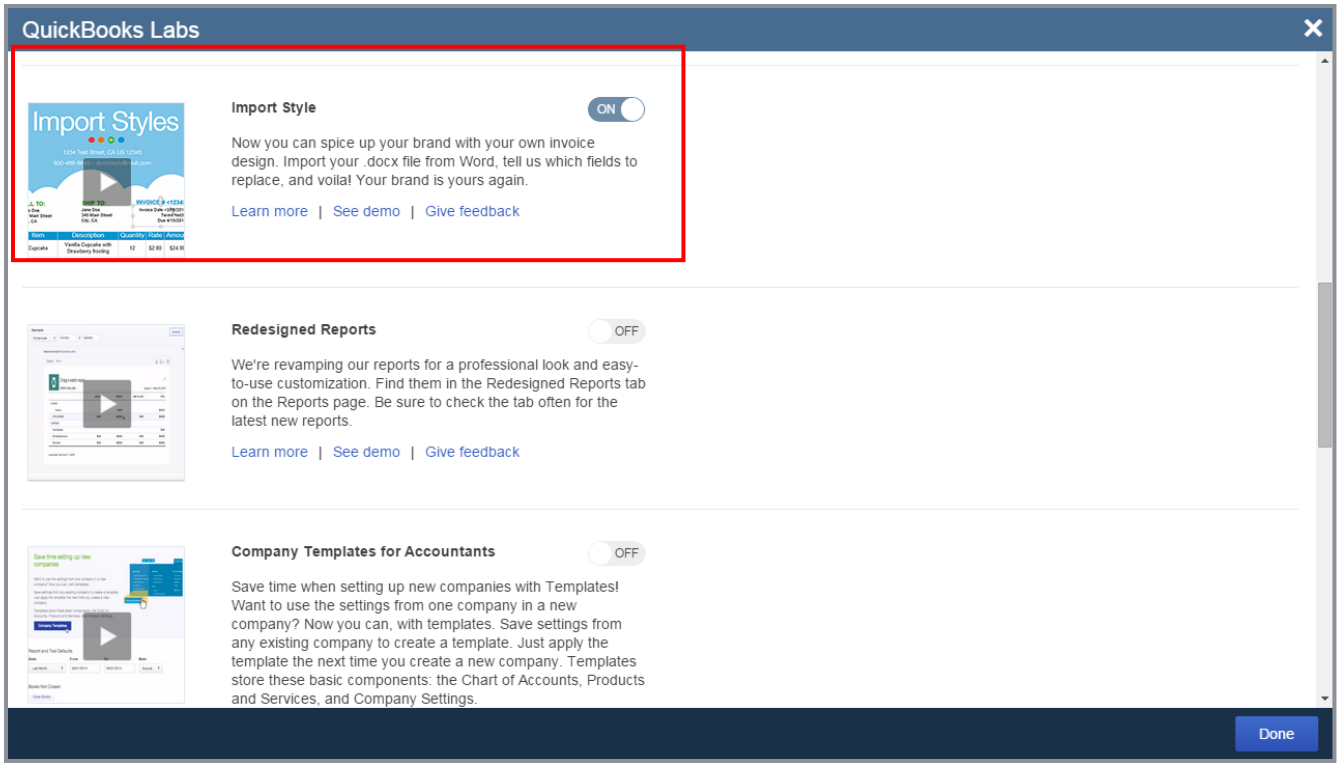


What if a business already has a design for their sales forms and they want to use that style in QuickBooks Online? You can try to import it. Importing sales form styles is a new option available in QuickBooks Labs.



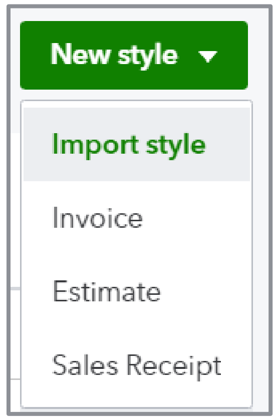
Step-by-Step: Import Sales Form Styles

1. To access the Lab, navigate to the **gear** icon and select **QuickBooks Labs**.
2. Look for the plug-in called **Import Style** and turn it on.
3. Click **Done**. One day you may not have to go to the Lab to turn it on; it may just become part of the standard sales settings.

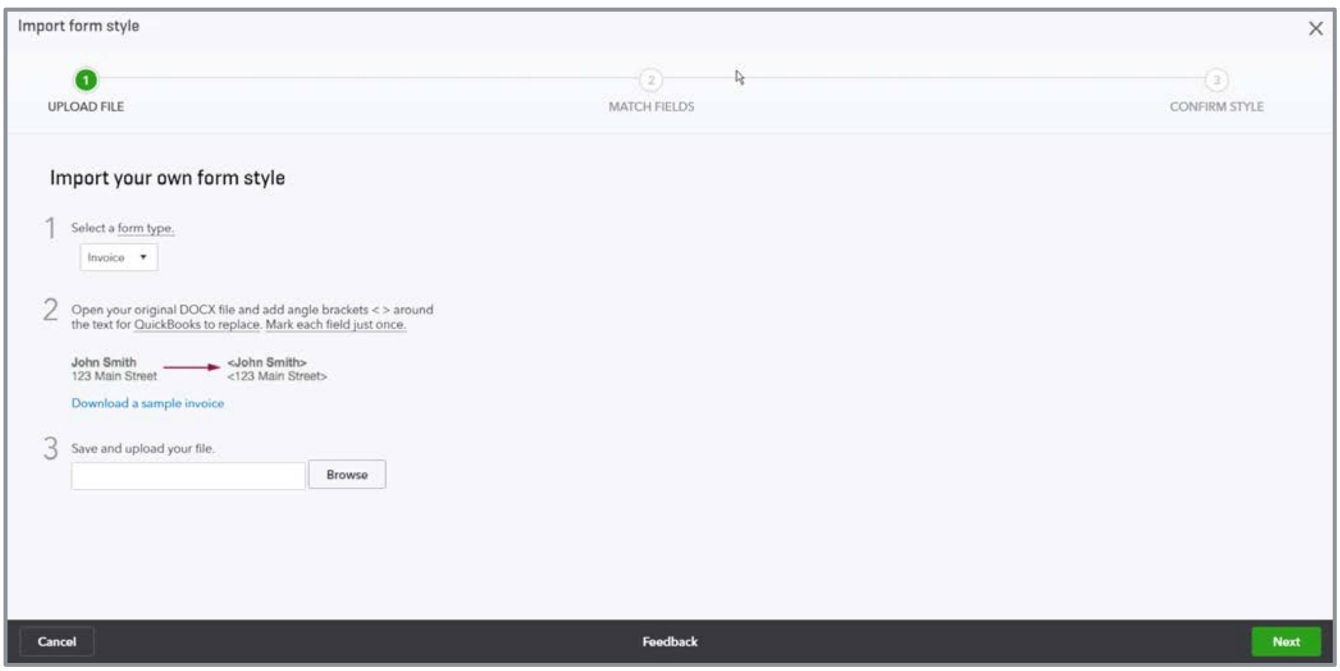


4. Once the Lab is turned on, go to the gear icon and click **Custom Form Styles** to go to the screen to customize your sales forms (which can also be accessed from the the **Company Settings → Sales → Customize look and feel** button).

5. Click the **down arrow** next to the New style button to find the Import style option.



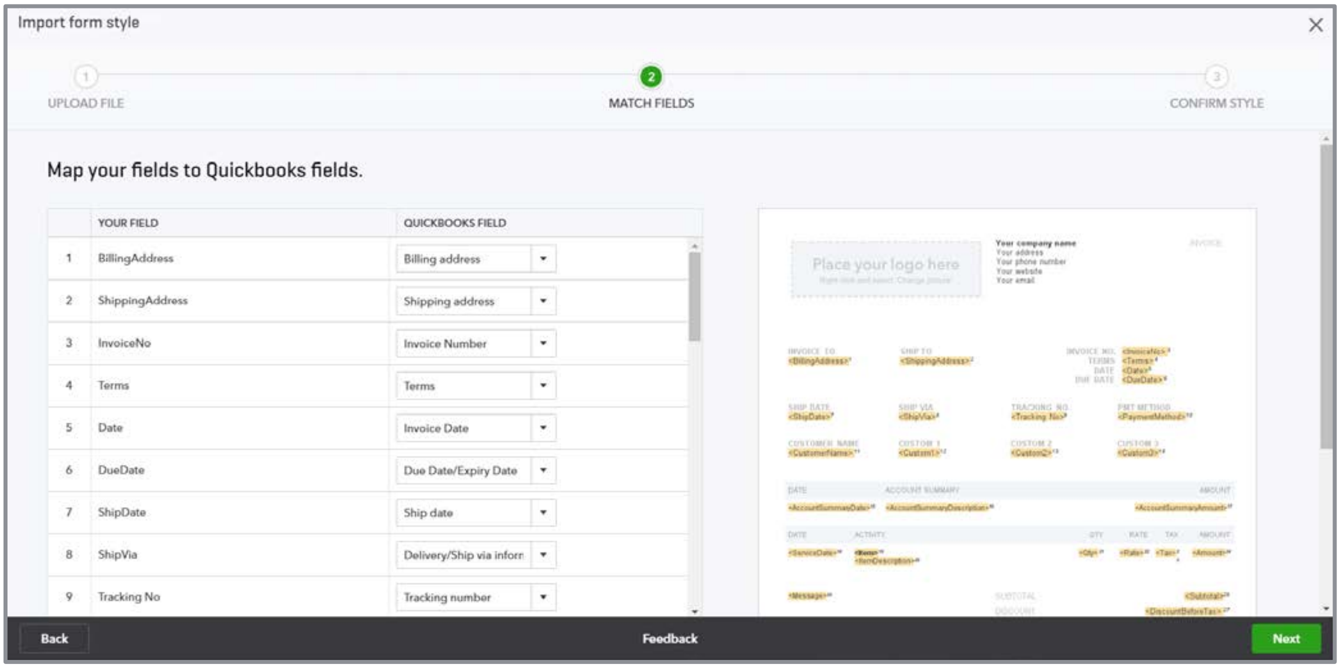
6. On the Import form style wizard, select the type of form you want to import (currently only invoice sales forms are available for import).



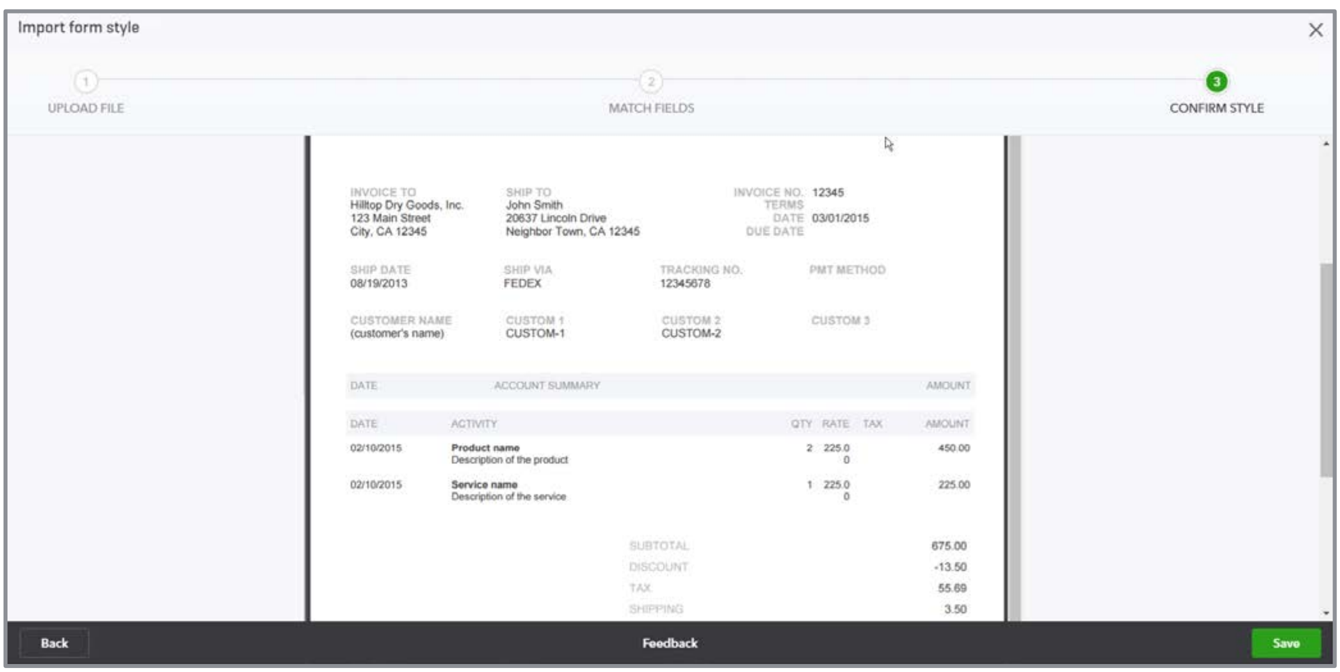
7. Follow the on-screen instructions to set up your template properly in Microsoft Word® with angle brackets for each field then save it.

8. Upload your template then click **Next**.

9. Map the fields on your template to QuickBooks fields and click **Next**.

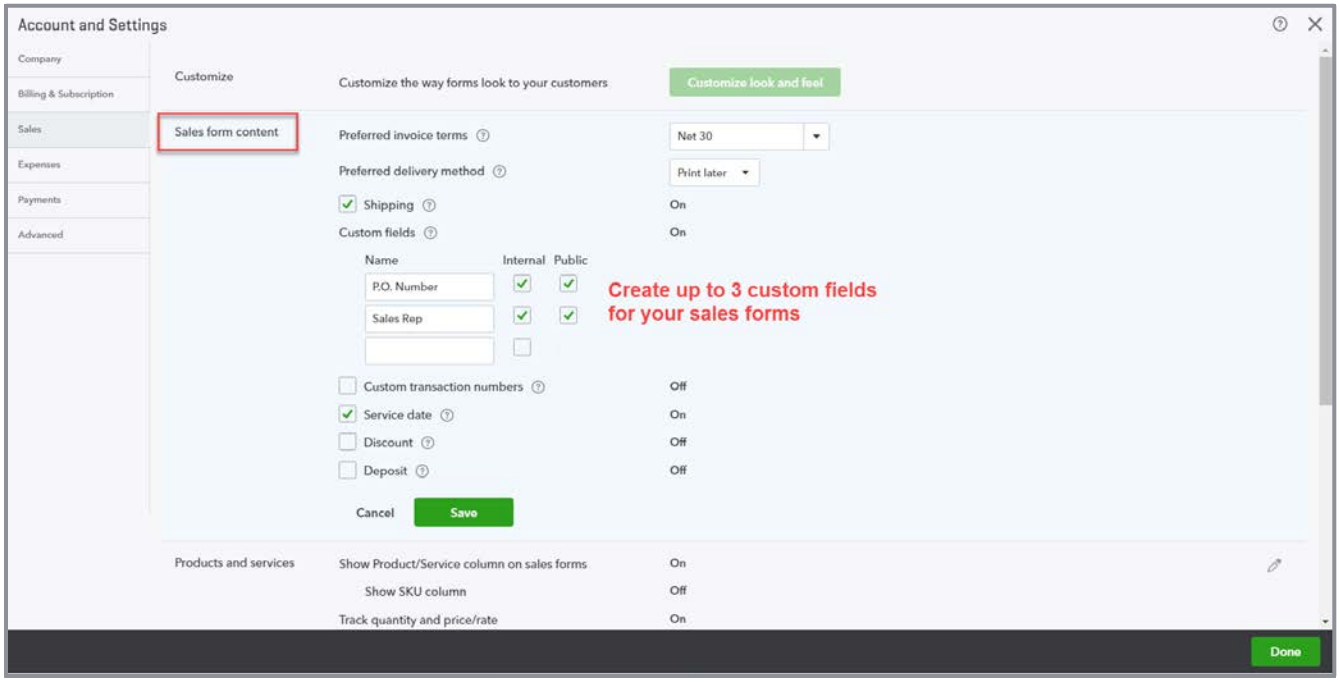


10. Review the results and save your newly imported invoice style.



Sales Form Content

The Sales form content section is where you set the default information that will appear on your sales forms and choose the fields that will be displayed. Settings include:

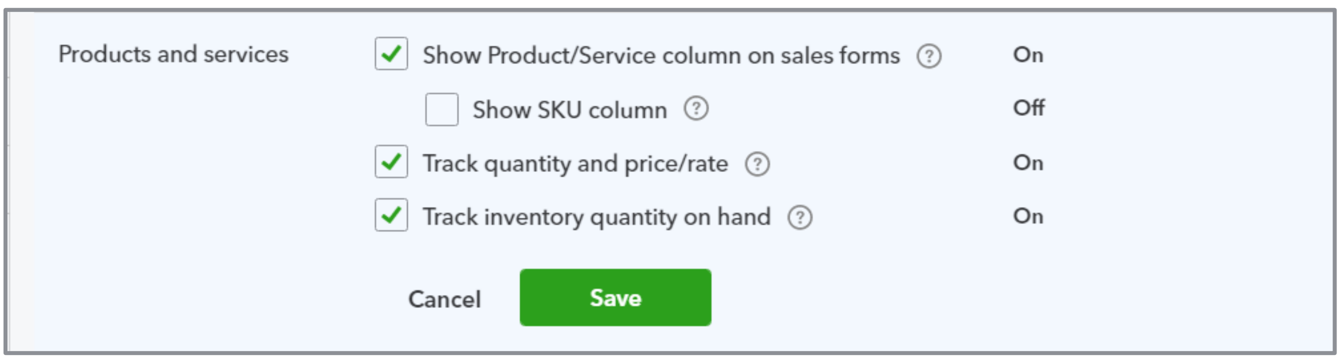


- **Preferred invoice terms** – Default terms that will appear on the invoice
- **Preferred delivery method** – Default delivery method
- **Shipping** – This adds a shipping field to your forms. When you enable this field, you'll need to select the income account that should be used when the field is used in the Advanced settings tab.
- **Custom fields** (up to three) – The Internal indicator shows the field to you on-screen; the Public indicator prints the field on your sales form
- **Custom transaction numbers** – Lets you use your own numbering system. If you leave the reference number field blank on the sales form, QuickBooks will automatically assign one.
- **Service date** – Lets you track the date a service was performed separate from the invoice date. The service date is available on sales forms on every line in the Item grid. It is not related to the period the sales transaction will be posted to the general ledger. It is a descriptive component of each charge on a sales form.
- **Discount** – Add a discount field to sales forms to apply a discount to the entire sale. When you enable this field, you'll need to select the income account that should be used when the field is used in the Advanced settings tab.

- **Deposit** – Add a deposit field to invoices to subtract a customer deposit from the invoice total to calculate a balance due. When you enable this field, you'll need to select the income account that should be used when the field is used in the Advanced settings tab.

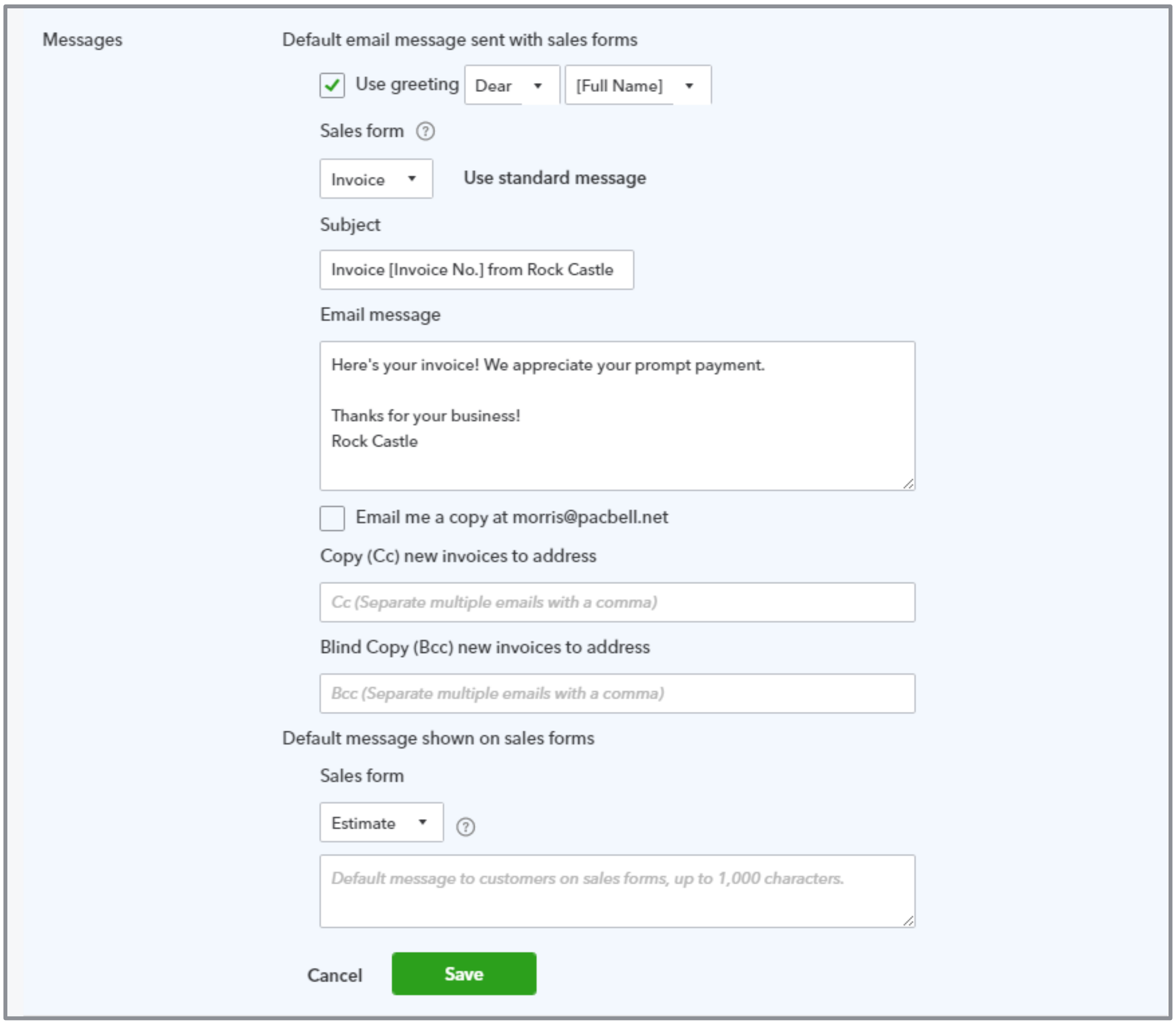
Products and Services

- Add the Product/Service column so you can choose from this list on sales forms (this training assumes this setting is active)
- Add the quantity and rate columns on sales forms so you can track this information and help calculate the charge
- Track quantity on hand to manage the available inventory in stock for each product you sell and its related inventory cost (this inventory tracking feature is only available in QuickBooks Online Plus)



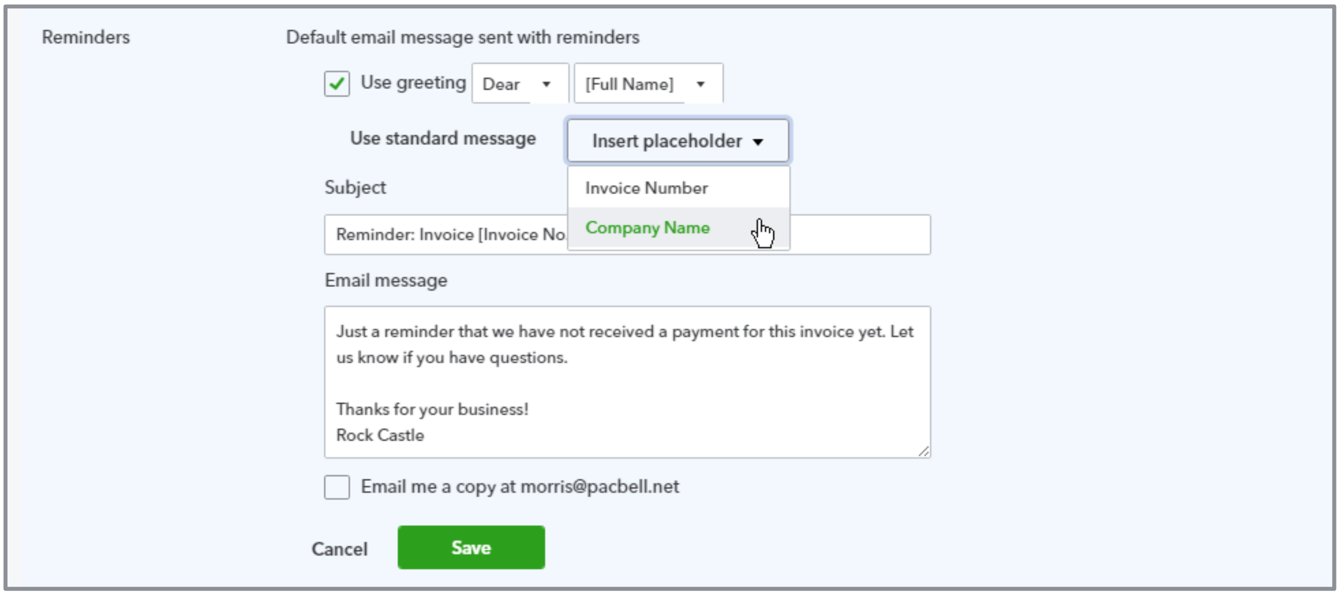
Messages Settings

- Customize the default email message sent with sales forms; you can create a different email message for each type of sales form
- Set a default Copy (Cc) and Blind Copy (Bcc) on new invoices to one or more email addresses that you define
- Define the default message shown on sales forms



Reminders

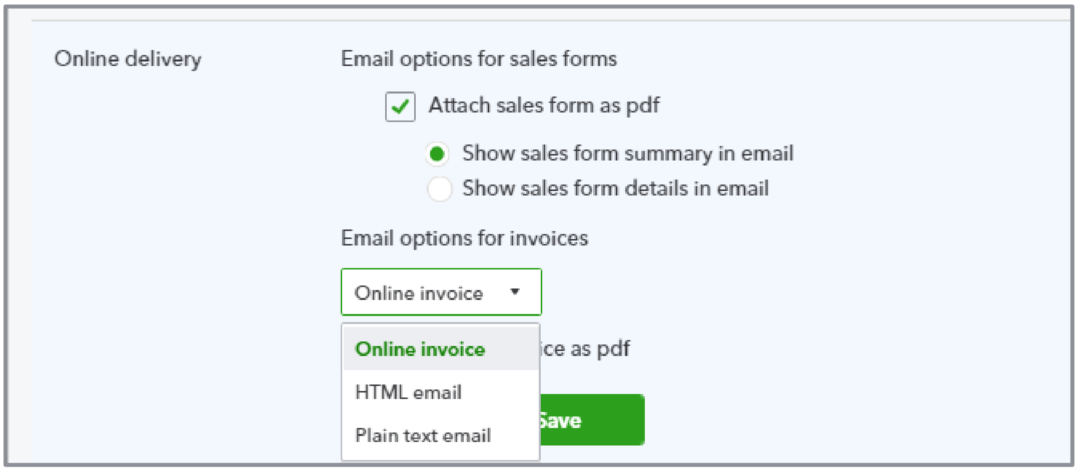
- Customize the default email message sent with reminders to customers
- Designate the placeholder (either Invoice number or company name)
- Send a copy of the reminder to your company email



Online Delivery

- **Specify the email option for invoices, sales receipts and estimates** – Whether to attach the sales forms as a PDF, and whether to show sales form summary or details in the body of the email

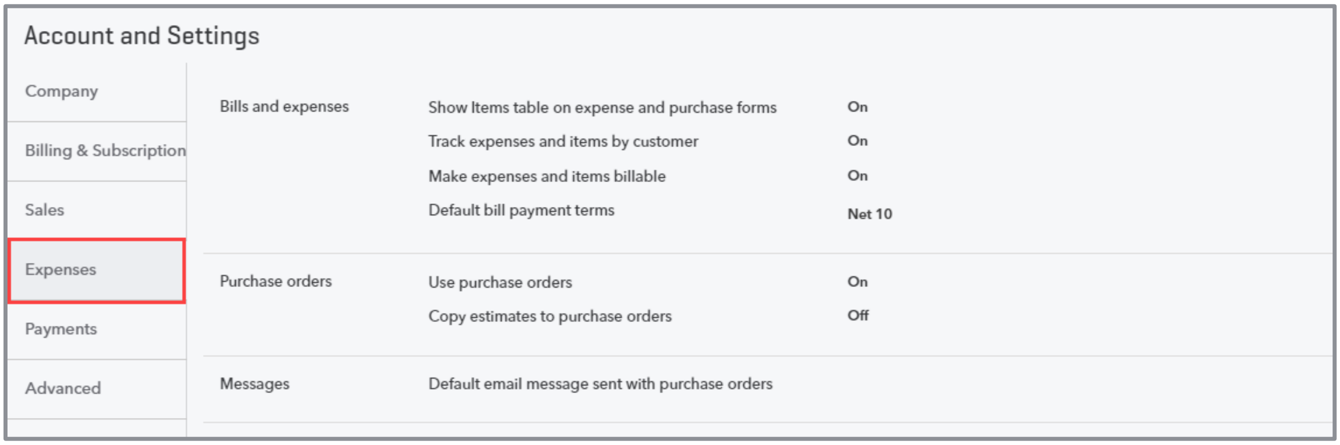
- **Set the email options for invoices specifically** – Choose between online invoicing, HTML and plain text. We'll learn more about how online invoices work in Module 4 of this training. If you select Online invoice, consider unchecking the box beneath it (Attach sales form as pdf) if you want to encourage customers to click the link in the email. Doing so will track the time/date stamp they opened the invoice, thereby confirming they received the invoice.



Statements

Configure customer statement preferences on whether to list each transaction as a single line or include all detail lines and whether to show the aging table at the bottom of statements.

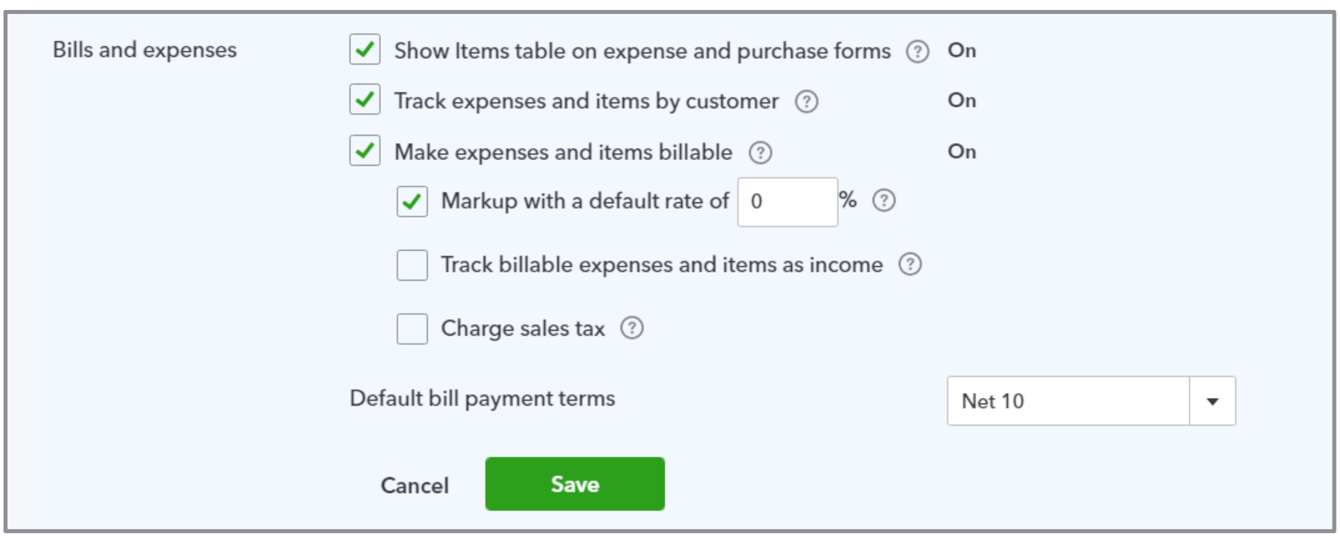
Expenses Settings



You can change how QuickBooks Online manages your expenses in the Expenses tab of the Settings menu. Settings include:

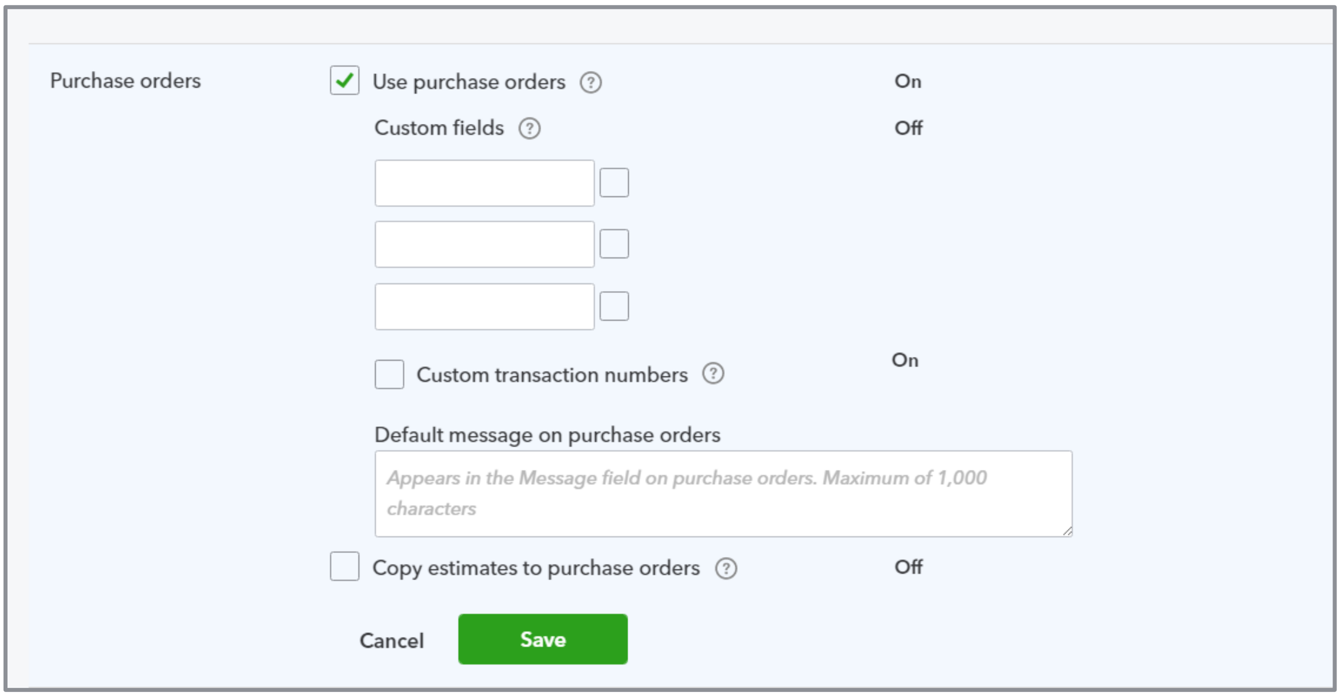
Bills and Expenses

- **Show items table on expense and purchase forms** (only available in QuickBooks Online Plus) – Enable this setting if you want to track purchases of products and services from your vendors
- **Track expenses and items by customer** – This turns on the customer field in expense transactions such as checks, expenses and bills. This feature must be enabled to assign expenses by customer and create a Profit & Loss by Customer report.
- **Make expenses and items billable** (Plus only) – This must be enabled to add billable expenses to invoices
  - Specify default markup rate for billable expenses
  - Define how to track billable expenses, either as income or offsetting the expense account balance
  - Choose whether you want billable expense income posted to a single account or multiple accounts
  - Choose whether to charge sales tax on billable expenses
- **Set default bill payment terms**



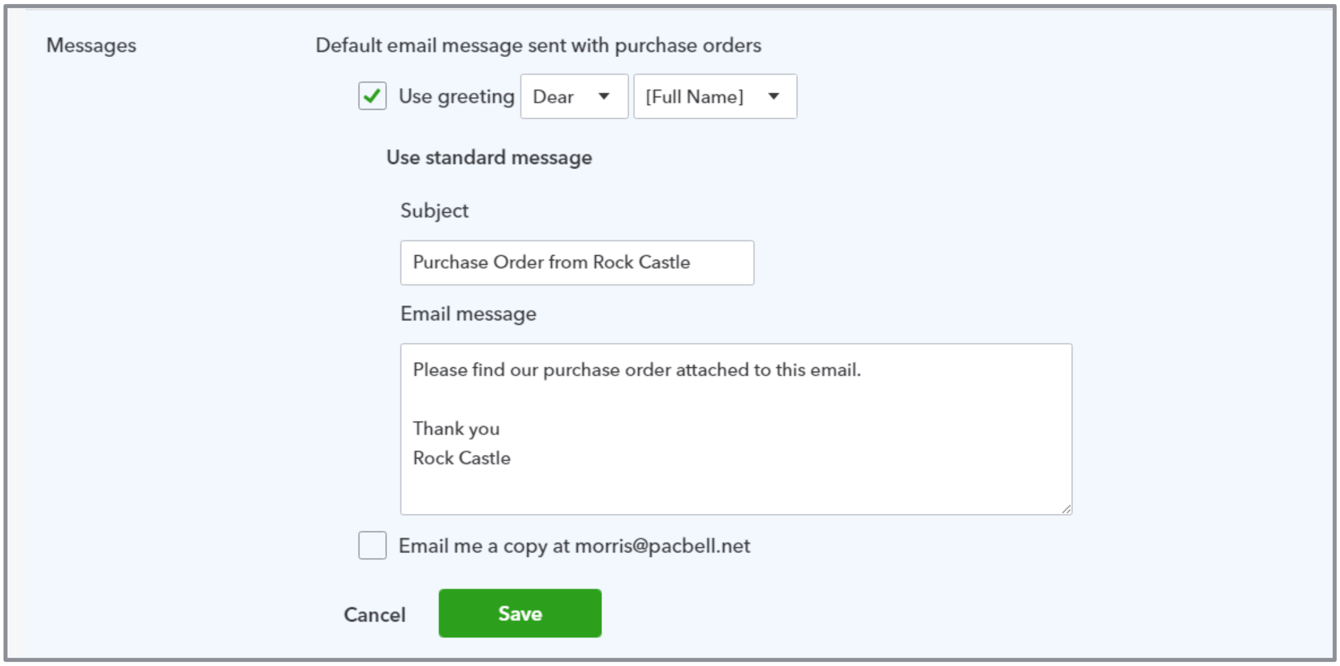
Purchase Orders (Plus only)

- Turn on or off the purchase orders functionality in QuickBooks Online (this feature is only available in QuickBooks Online Plus)
- Add custom fields to purchase orders, activate custom transaction numbers and create a default message for your purchase orders
- Copy estimates to purchase orders saves you time by prefilling a purchase order form with the information entered on the estimate



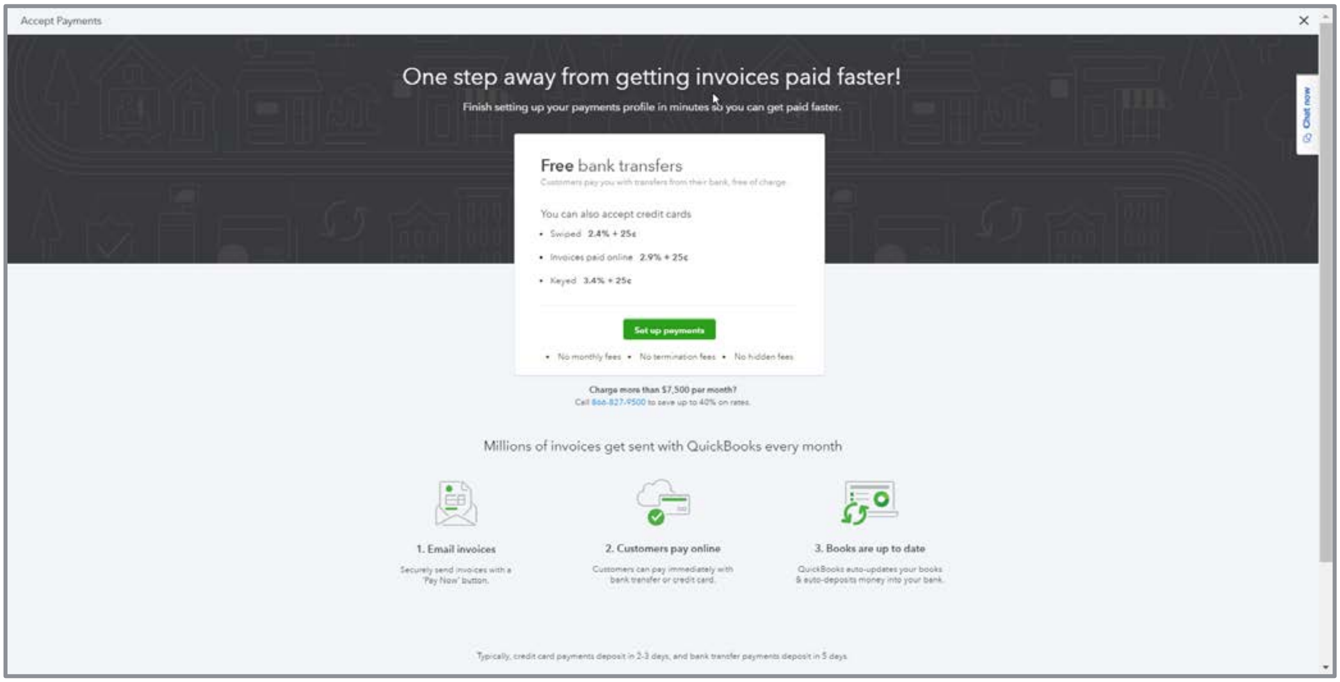
Messages

- Define the default email message sent with purchase orders



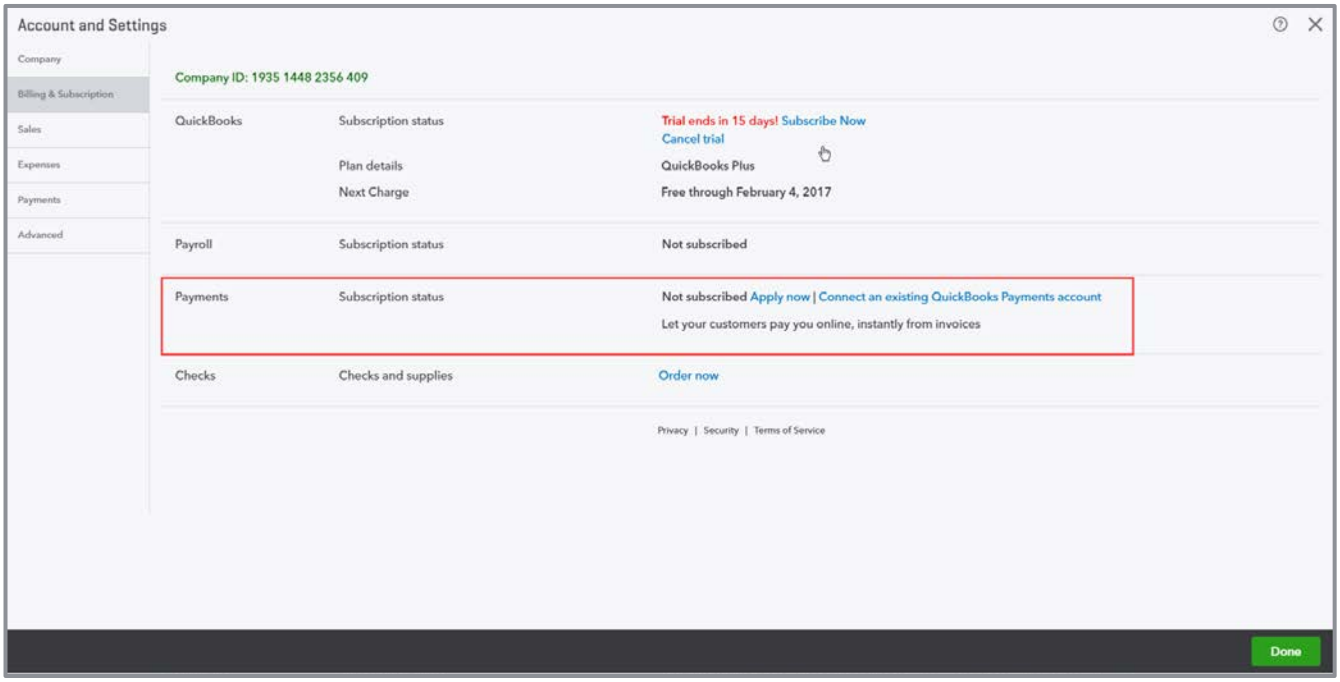
Payments Settings

QuickBooks Payments is the merchant service solution that powers QuickBooks Online.



- It processes credit card payments directly from the QuickBooks Online Sales Receipt and Receive Payments screens (use a card reader to do this using the mobile app)
- It processes credit card and bank account payments for customers who click to pay their QuickBooks Online invoices
- Funds move electronically directly from the customer to the merchant's bank account (typically, credit card payments deposit to the merchant's bank account within two to three days and bank transfer deposits in five days)
- The bank deposit and merchant service fees are automatically recorded in QuickBooks Online by the QuickBooks Payment reconciliation feature
- No other merchant service can do this

To sign up for QuickBooks Payments or connect an existing account, from the gear icon navigate to **Account and Settings** then click **Billing and Subscriptions** on the left menu. If the company has never applied for a QuickBooks Payments merchant services account, click **Apply now**.

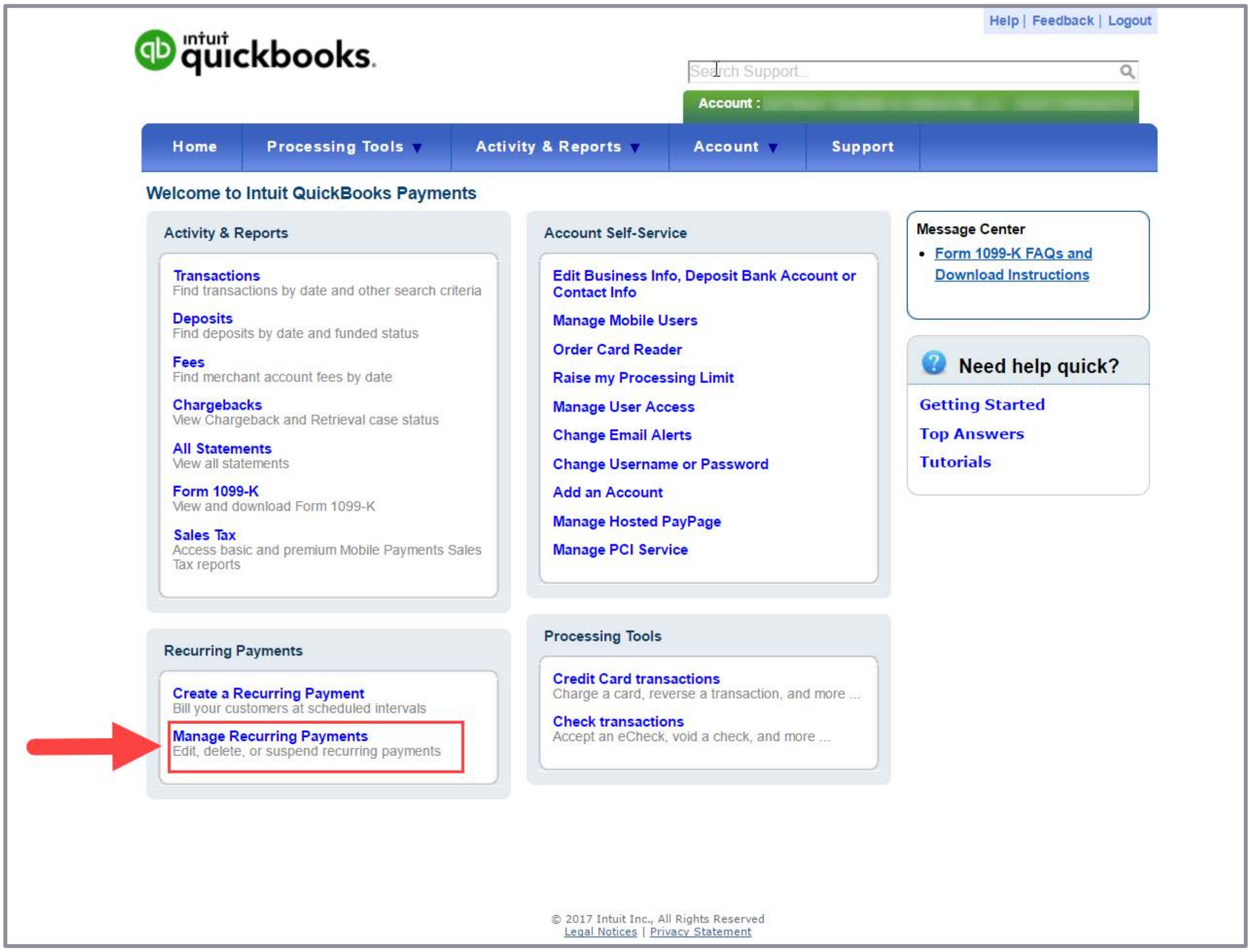


Complete the requested company and owner information, including Social Security number and date of birth, then submit the application. This process is required so Intuit can validate the owner's identity and move money on their behalf. Once the QuickBooks Payment application is accepted, your merchant ID number will be created and you will receive an email with all the account details.

If the company already has a QuickBooks Payments account (also known as GoPayment or QuickBooks Merchant Services or Intuit Merchant Services), you can connect the existing merchant services account to your QuickBooks Online company by clicking **Connect to an existing QuickBooks Payments account**.

TIP: *Best results occur when the person connecting QuickBooks Online to QuickBooks Payments is the master admin of the QuickBooks Online company and the merchant account. If you have trouble with this step, contact the QuickBooks Payments support staff to map the services together on the back end. If the applicant expects to process more than $7,500 per month using QuickBooks Payments, call 866-827-9500 for special pricing.*

NOTE: *If you had an existing QuickBooks merchant service account you were using with QuickBooks Desktop before converting to QuickBooks Online, and you were using the recurring payments feature for any of your customers, you need to log into your [merchant services online account]() and turn off each recurring payment to avoid double-charging your customers. Remember to set up new recurring transactions in QuickBooks Online once your payments account is active.*



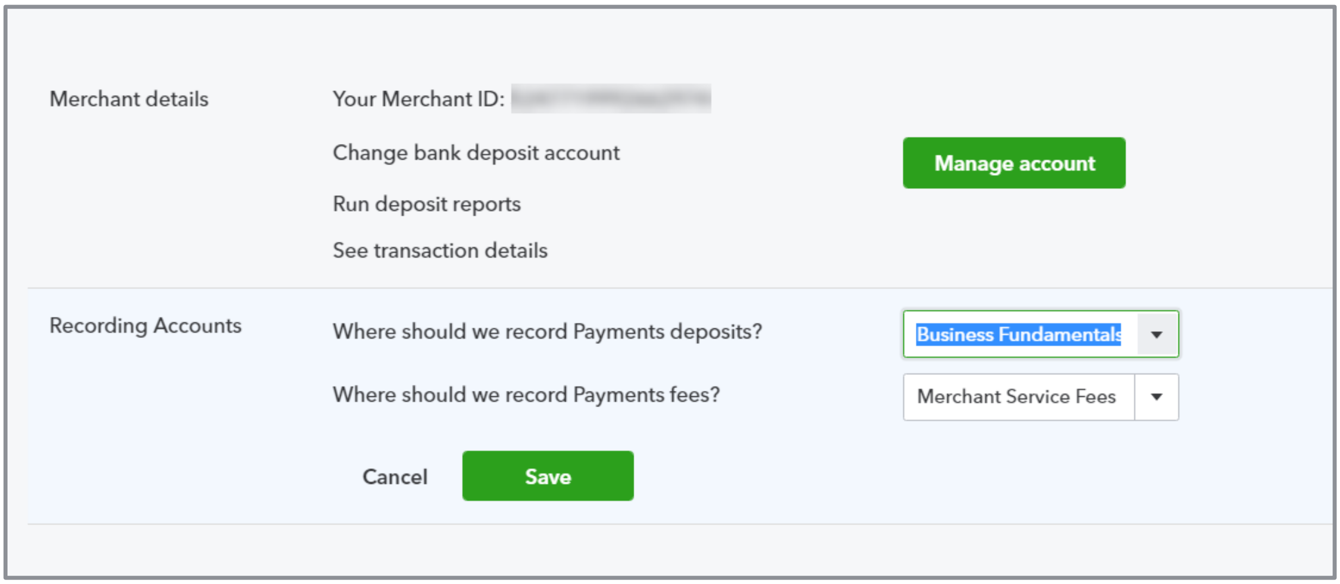
Once you've received notification your application for a new merchant account has been approved or you've connected an existing merchant account number, your next step is to verify your merchant ID number is linked to QuickBooks. Navigate to the **gear** icon → **Account and Settings** → **Payments** screen to view the account number and review your settings. The service will be available for use within 24 hours for both credit card and bank account payment processing.

Once a new or existing QuickBooks Payments account is connected to QuickBooks Online, you can review your Payments settings.

Step-by-Step: Review Payments Settings

1. From the **gear** menu, click on **Account and Settings → Payments**. Click the **Manage account** button to launch the Merchant Center. This is where you change the bank account information that funds are deposited to, and where you find details about transactions processed using QuickBooks Payments.

2. In the Recording Accounts section, specify the bank account you would like deposits recorded to and what expense account to record associated fees to.

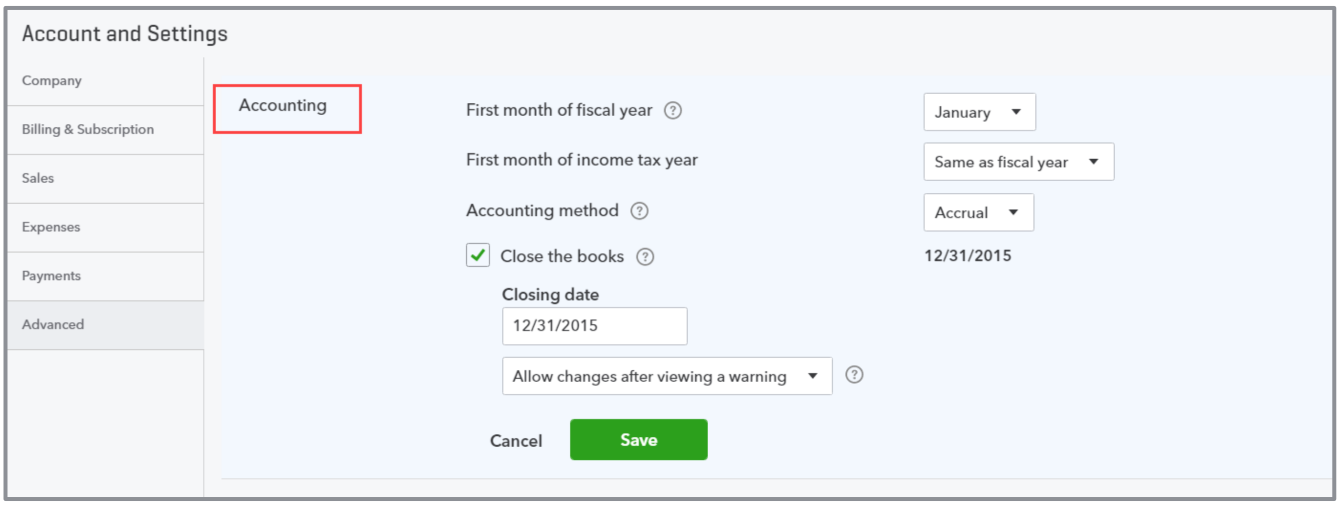


Advanced Settings

The Advanced settings tab includes the following settings:

Accounting

- First month of fiscal year
- First month of income tax year
- Accounting method – set the default accounting method that will be used on reports
- Close the books (set a closing date and optional password)



Company Type

- Select the appropriate type for your company

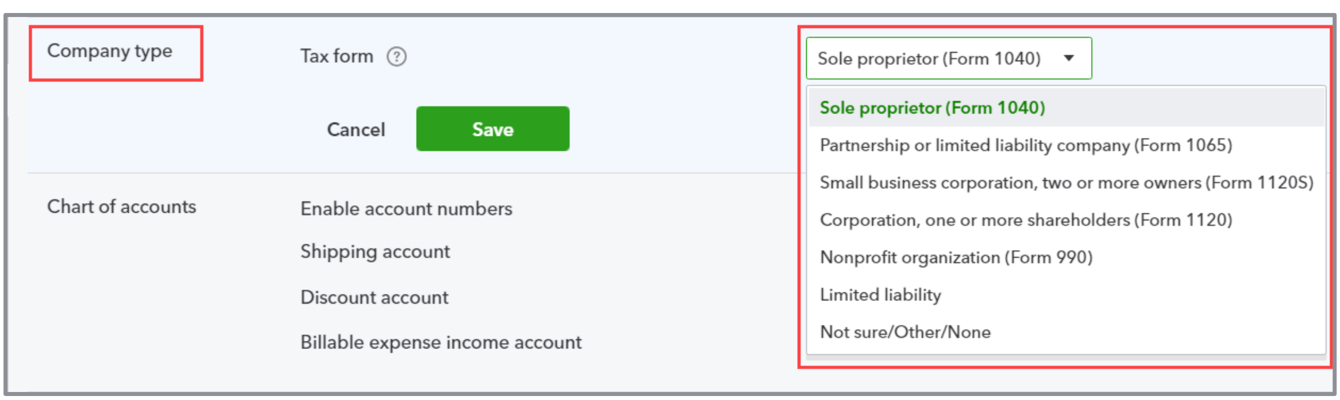
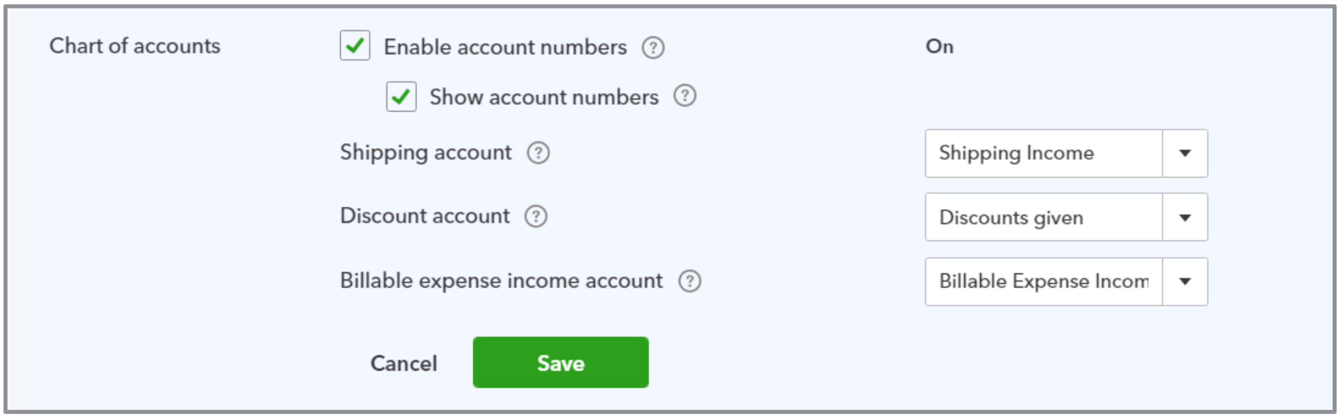


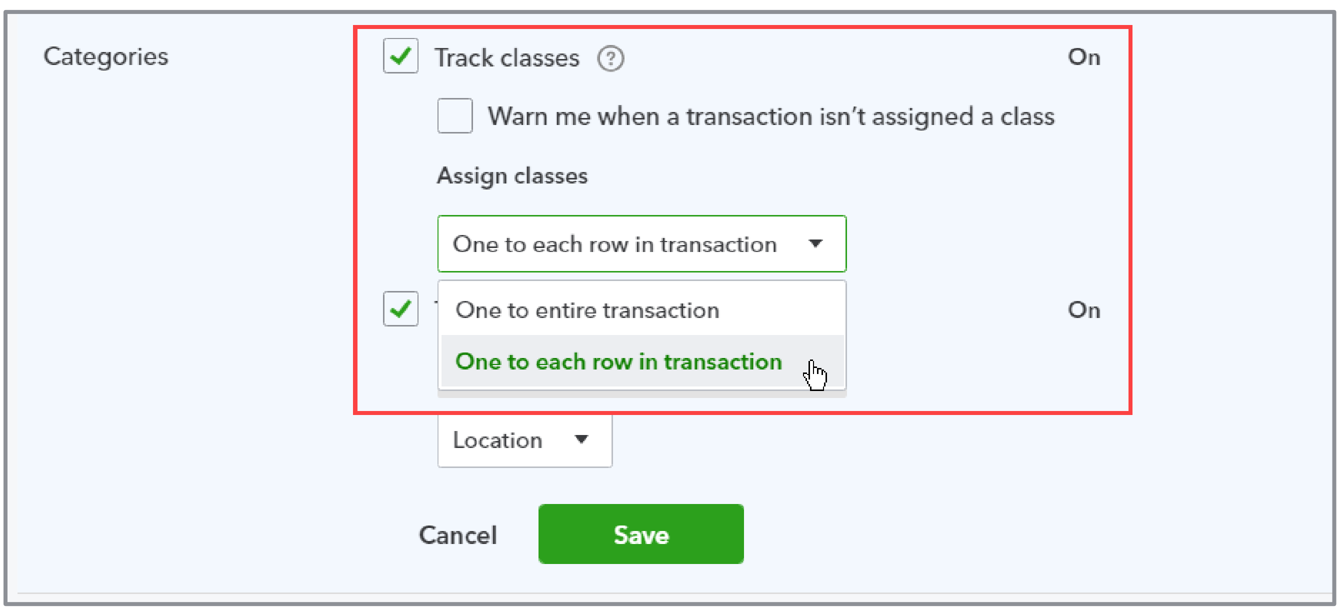
Chart of Accounts

- Enable account numbers
- Set default accounts for shipping, discount and the billable expense income account (if those features are enabled in the Sales settings)

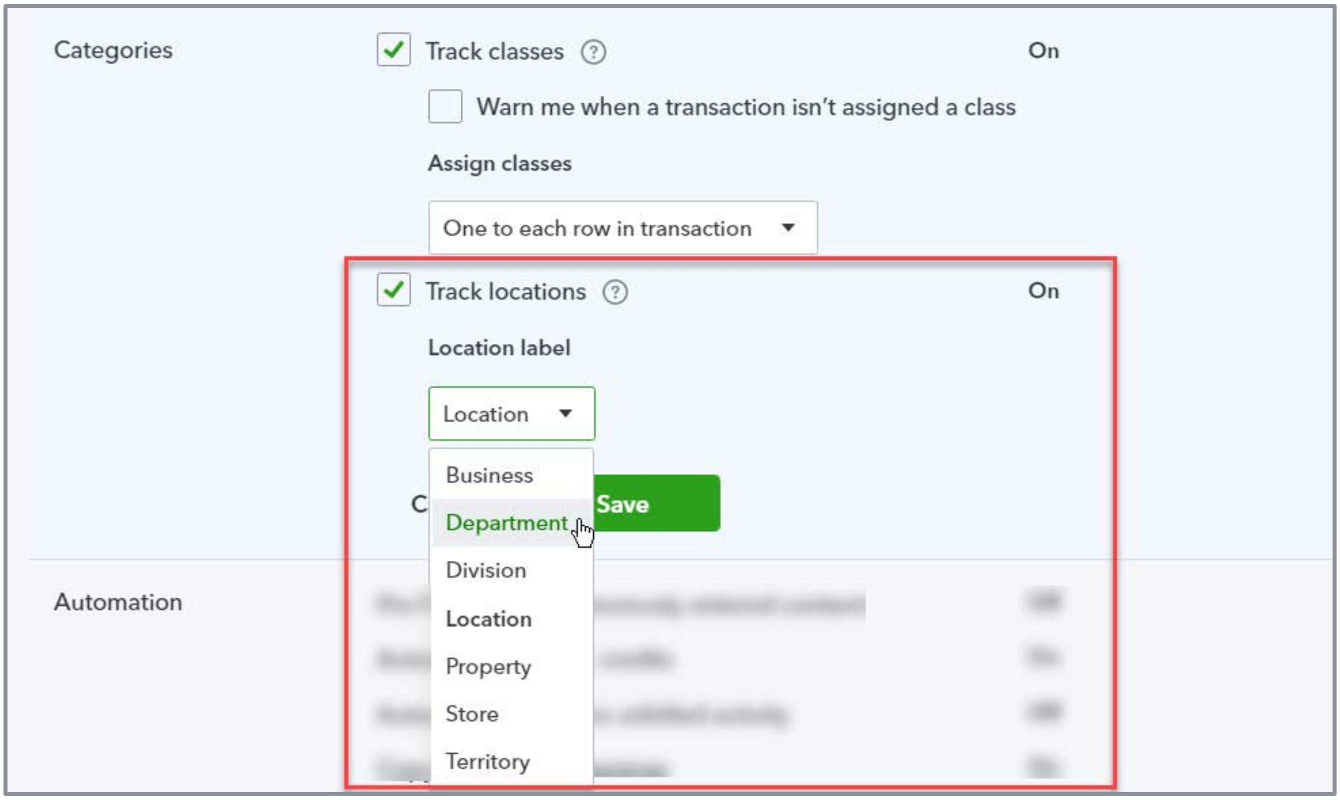


Categories

- **Track classes** – You can track by class and choose whether to display a warning when a transaction is saved without a class assigned to it You can choose whether a class should be assigned to the entire transaction or to each row in a transaction.

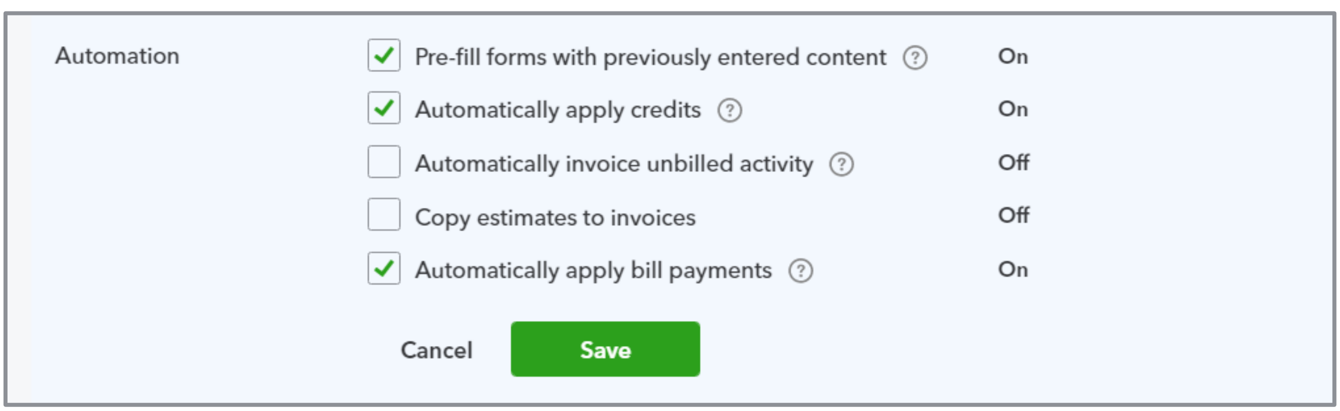


- **Track locations** – You can also track by location and choose from seven label options. Locations are assigned to the entire transaction only.

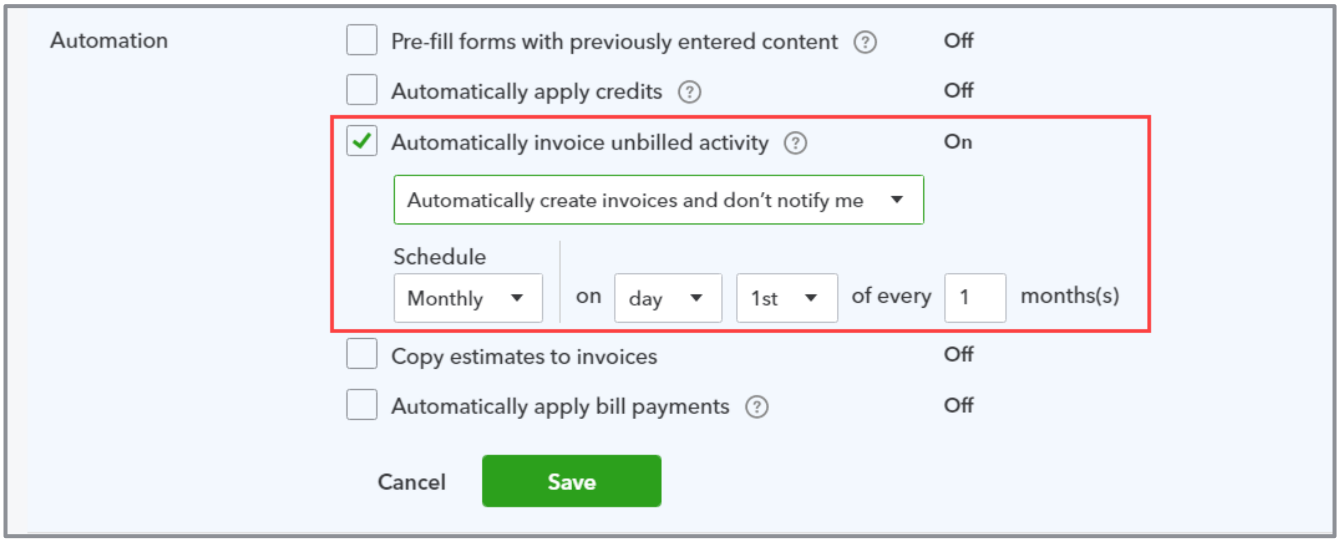


Automation

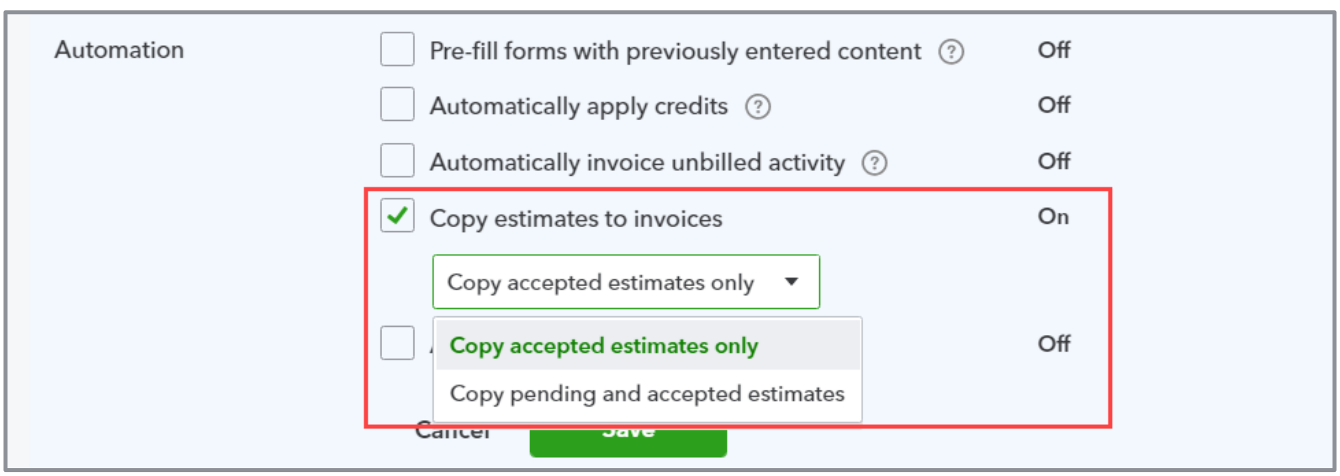
- Pre-fill forms with previously entered content
- Automatically apply credits to open Invoices



- **Automatically invoice unbilled activity** – This feature will automatically create invoices for customers who have unbilled time, delayed charges or credits, or billable expenses. Choose to automatically create invoices with or without a notification, or create a reminder only. Set the schedule to invoice the activity.



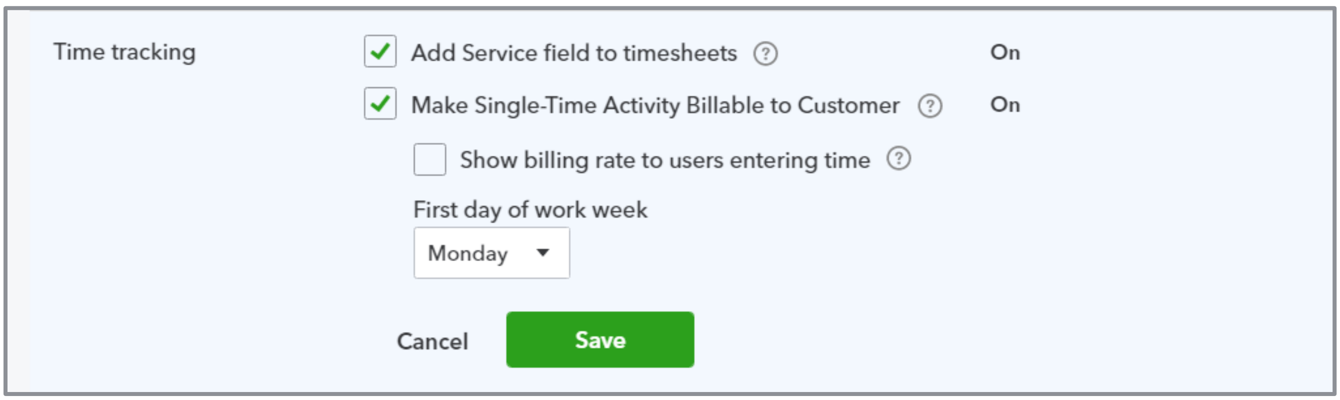
- Copy estimates to invoices must be enabled to copy the estimate details onto the invoice
- Choose whether to copy pending and accepted estimates or accepted estimates only



- Automatically apply bill payments to open bills

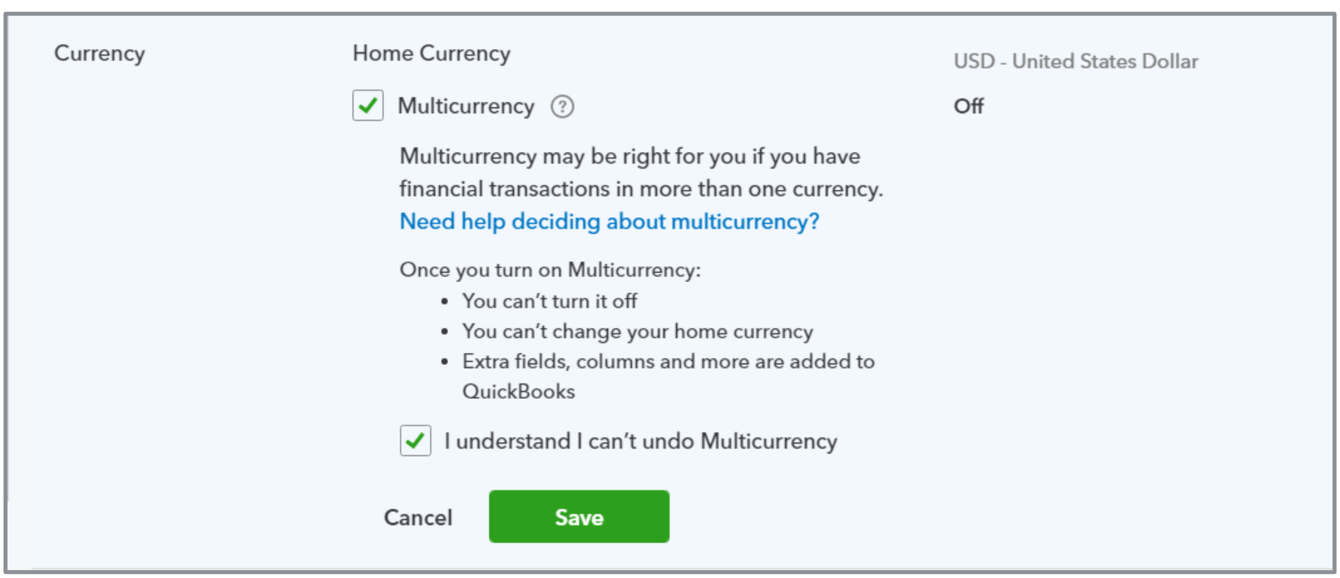
Time Tracking (Plus only)

- Add Service field to timesheets
- Make Single-Time Activity Billable to Customer
- Show billing rate to users entering time
- Select the first day of work week for the Timesheet screen



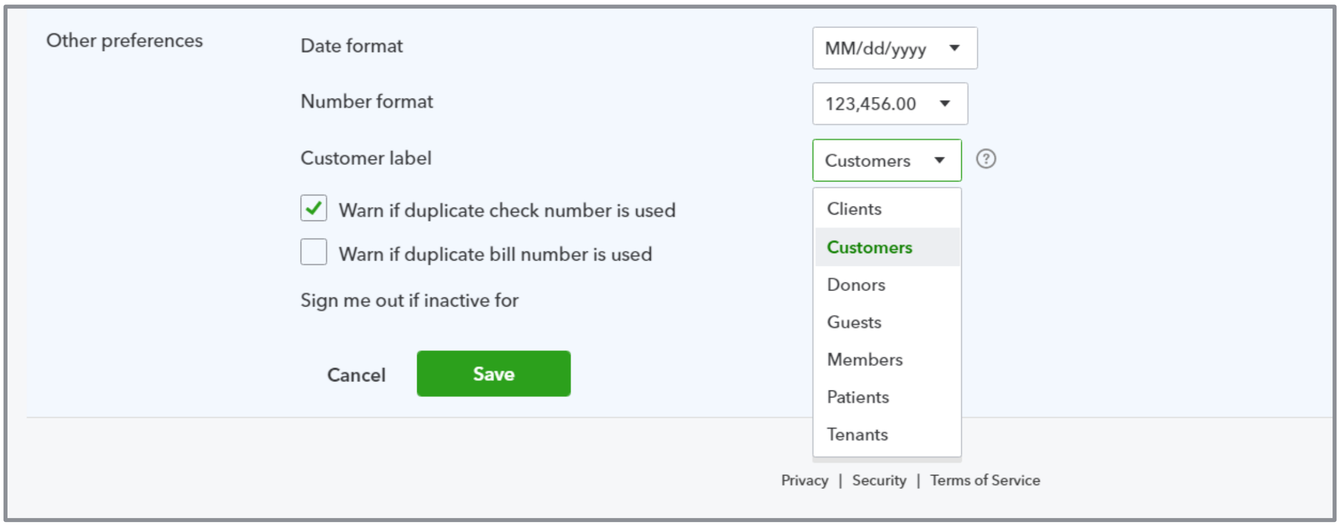
Currency

- Multicurrency is available in Essentials and Plus subscriptions only. You can choose your home currency when you enable it, but this can't be changed later. Keep in mind that once you enable Multicurrency you can't turn it off.



Other Preferences

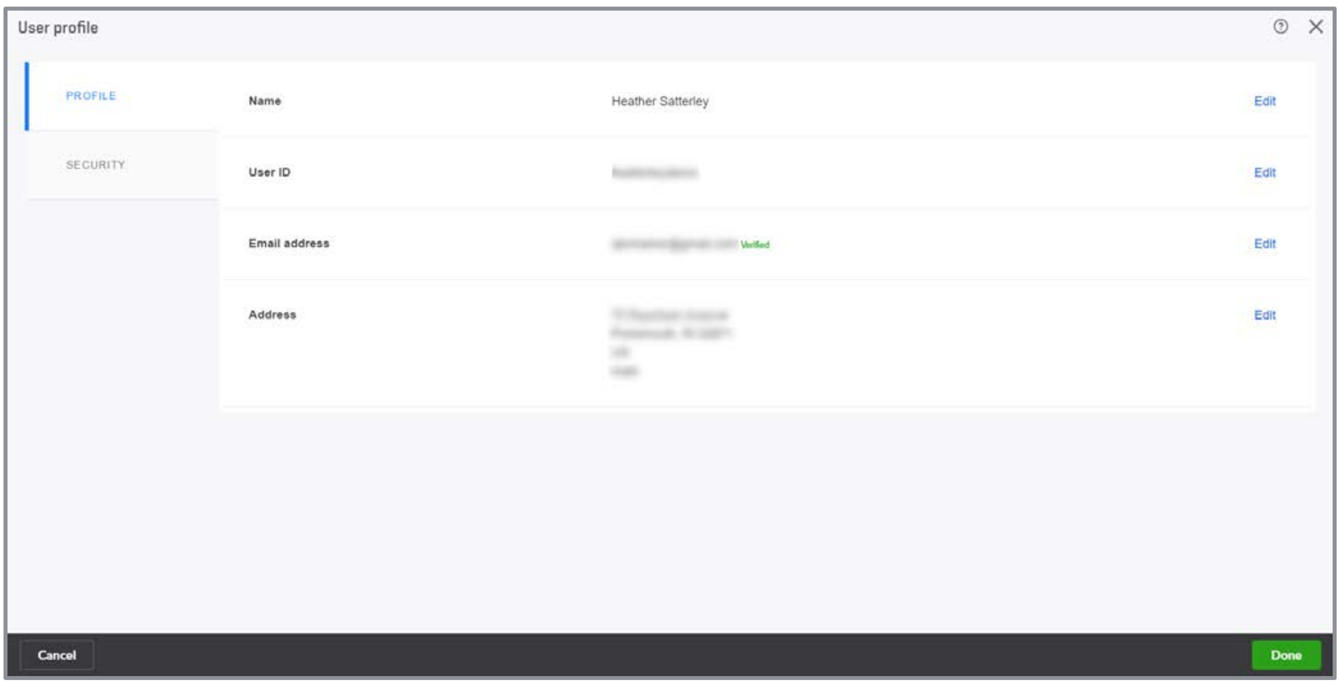
- Choose your date and number formats
- Select a customer label from the seven choices in the drop-down menu
- Warn if duplicate transaction numbers are used
- Select the duration before the user is logged out of QuickBooks Online (one to three hours)



User Profile

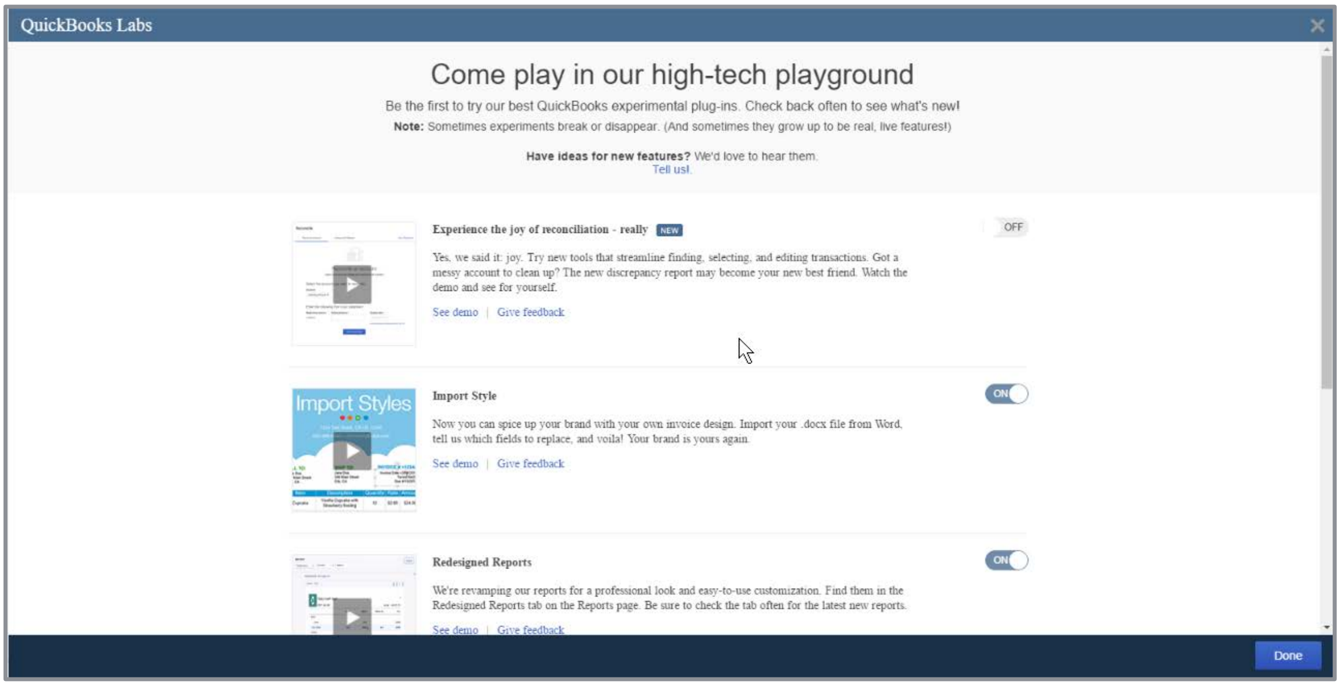
The User Profile screen is reached from the gear icon and is where you can view or edit:

- **Profile** – The user's name, user ID, email address and address
- **Security**
  - Change your password and enable the two-step verification option
  - Change your phone number – This is the number where verification codes will be sent
  - View your access history – This helps identify unauthorized access to your account



QuickBooks Labs

QuickBooks Labs is where you can try out new tools and features in QuickBooks Online. Intuit launches plug-ins created by Intuit and third-party vendors from this menu, which is found in the gear icon menu under Company settings. Some of the current offerings in QuickBooks Labs are Import Style and Company Templates for Accountants. The great thing about QuickBooks Labs is you can try the feature then turn it off if it isn't for you. Sometimes these features are discontinued and other times they become permanent features in QuickBooks Online. It's a good idea to check into the lab frequently to see what's new.



COMPANY TEMPLATES

Company templates are created by other QuickBooks Online accountant users who have opted to share them with the public. You can also save templates of your own and choose not to share them with the community. Each template includes a Chart of Accounts, products and services list and its own unique default settings. This can be a time saver when you set up a new QuickBooks Online company. To view the accounts and settings of the template, click on its name.

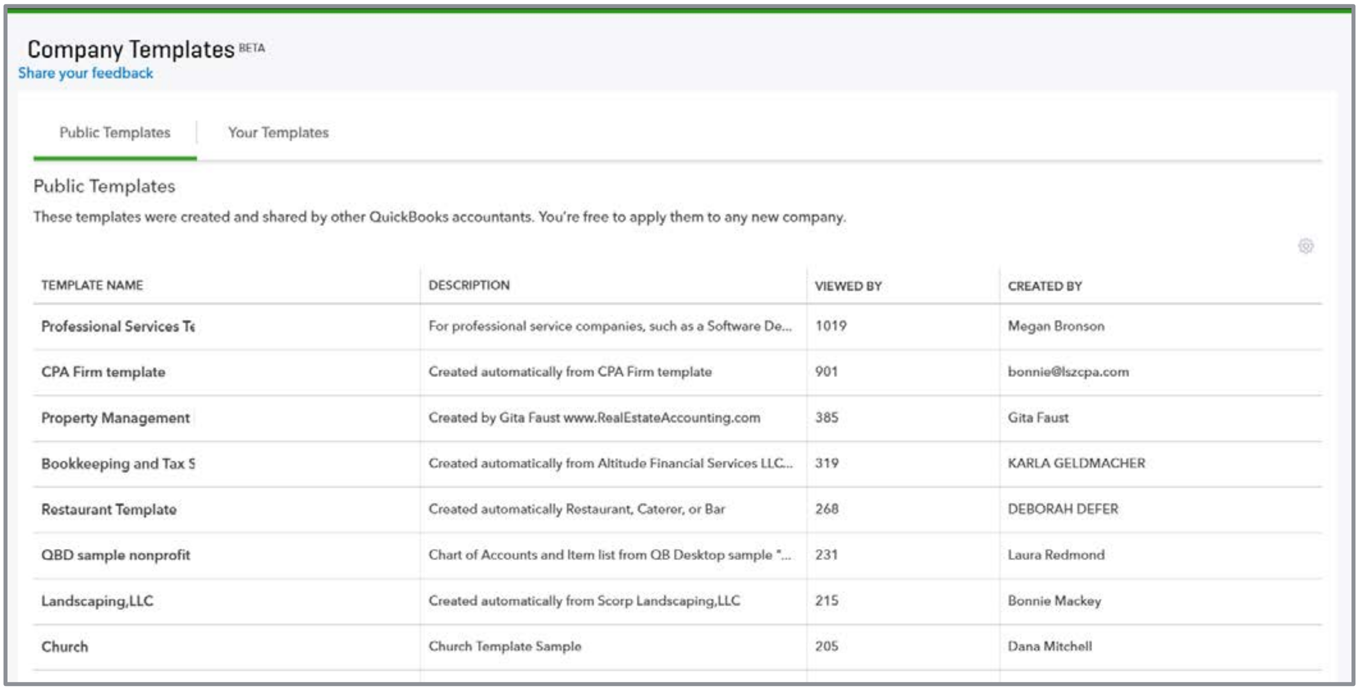
Step-by-Step: Apply a Company Template

1. Click on the **gear** icon → **QuickBooks Labs**.

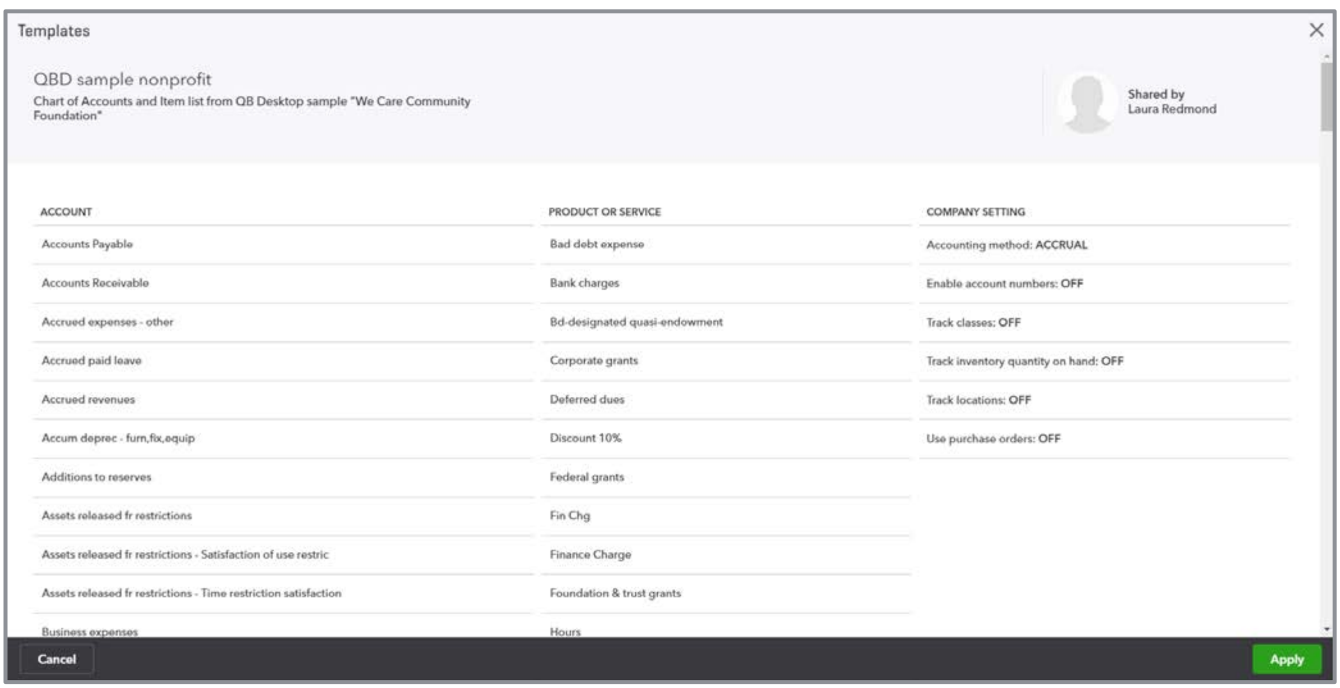
2. Click the button on the right to turn Company Templates for Accountants **On**. Click **Done**.

3. Click on the **gear** icon → **Company Templates** (this will be a new option under Your Company).

4. Click the template name you would like to use and review the settings.



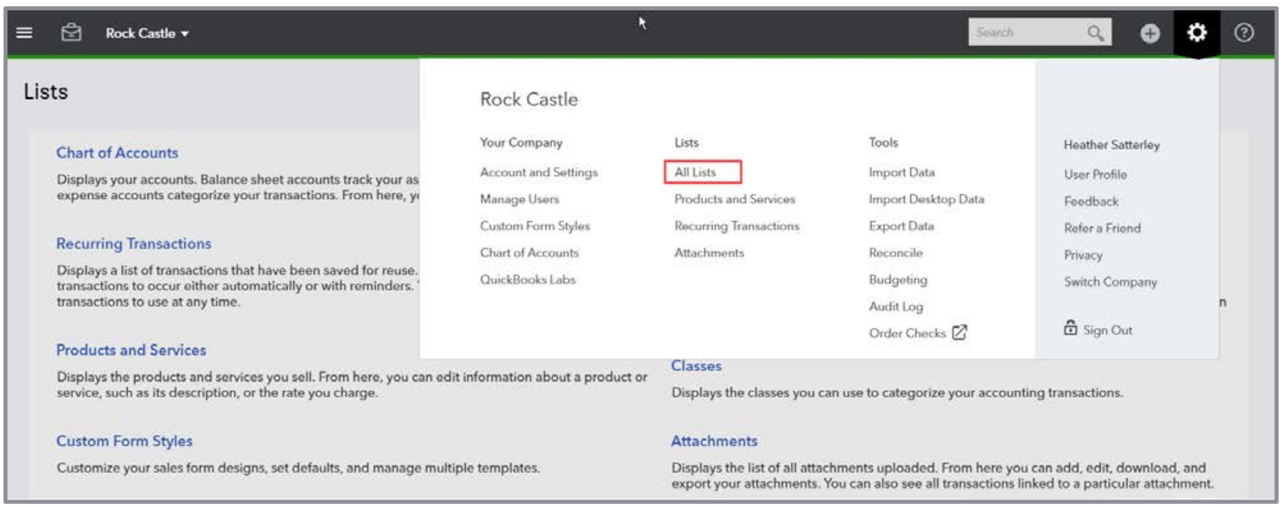
5. Click **Apply** then **Continue** to save the settings to the company.



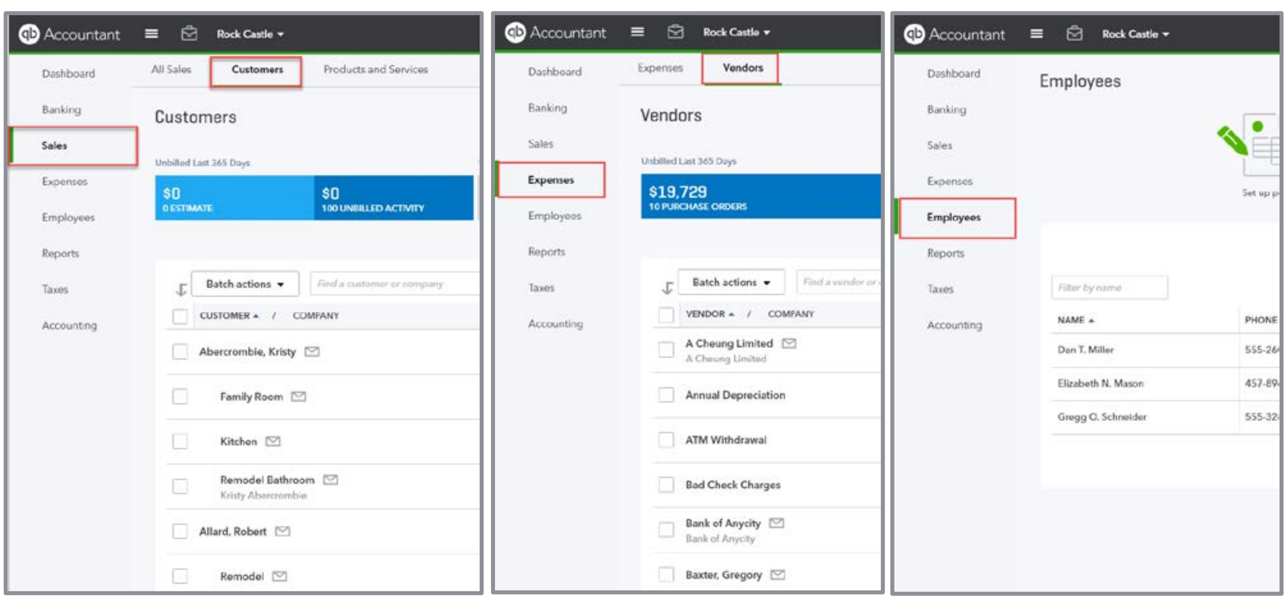
Topic 3: **Set up and Modify Lists and Users**

WORKING WITH LISTS

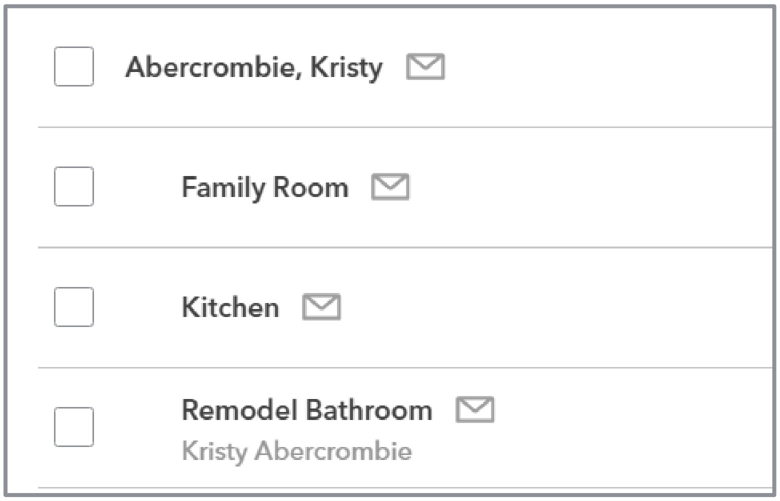
Lists in QuickBooks Online contain information used in the data entry screens. Most lists can be found from the **gear** menu → **All Lists**. To view a list, click on its name.



The Customers, Vendors and Employees lists can be found by clicking on the centers on the left navigation pane. From each center you can add, edit or inactivate list items.



You can also have sub-lists of items. For example, if you have a customer with multiple locations, you can have a parent customer – perhaps the corporate office – and sub-customers for each location you sell to. You can choose whether to bill the sub-customer's transactions to the parent or the sub.



You can also have sub-accounts in your Chart of Accounts. This is a great way to create subtotals on your financial statements and keep track of additional details.

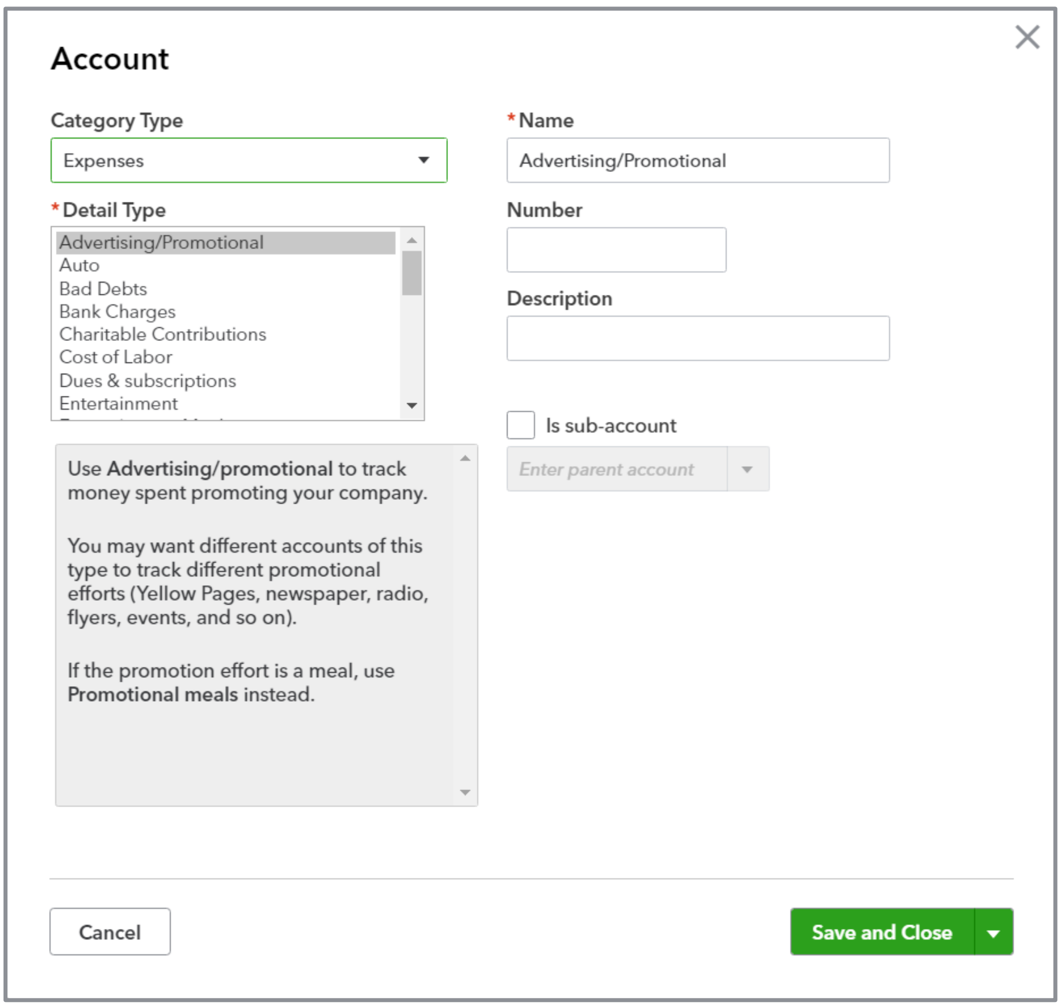
60100 Automobile	
60110 Fuel	3,303.70
60120 Insurance	5,700.48
60130 Repairs and Maintenance	4,956.00
Total 60100 Automobile	**13,960.18**

Chart of Accounts

Setting up the Chart of Accounts is key to useful and meaningful reporting. You can set up your Chart of Accounts manually or by importing it using the Import tool, which will be covered later in this module.

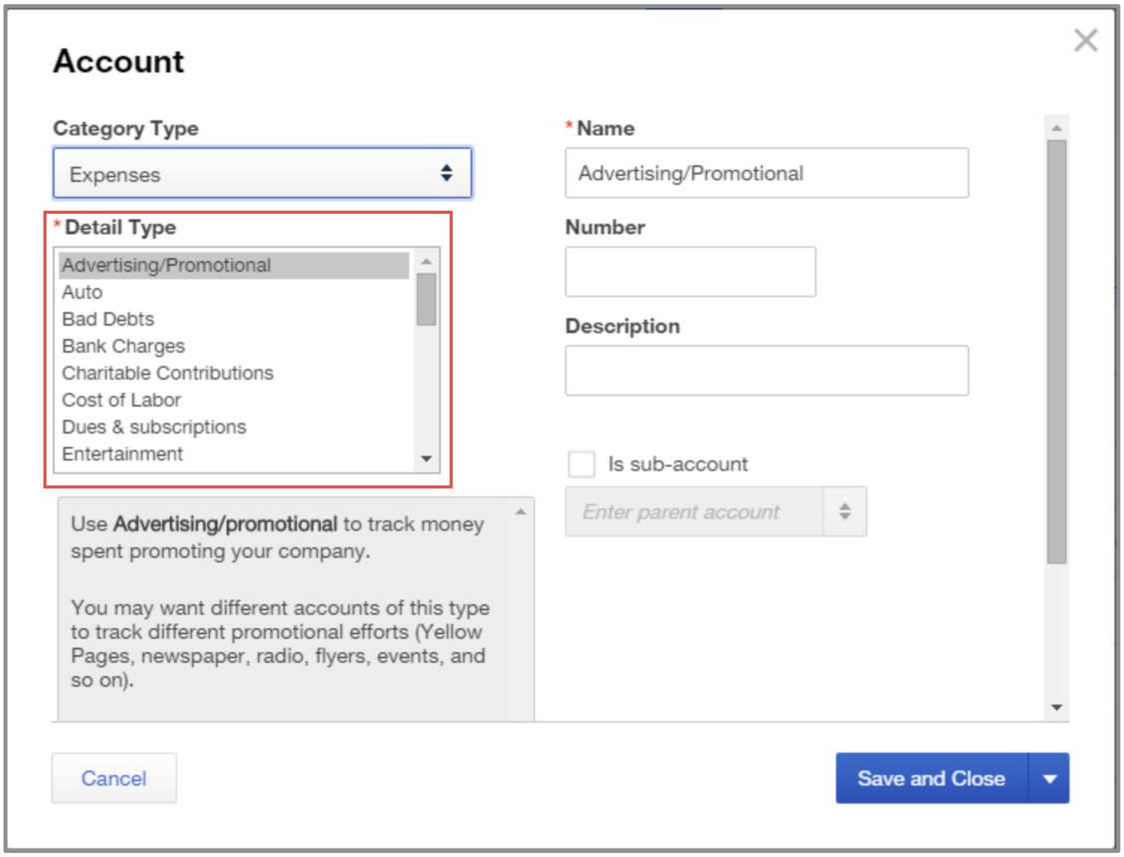
Step-by-Step: Set up the Chart of Accounts Manually

1. Decide if you will need account numbers; if so, turn them on in the **Advanced** tab in customer settings.
2. Open the Chart of Accounts by clicking on the **gear** icon.
3. Click **New** to open the Account window.



4. Choose the **Category Type**. This is your general account type, (i.e., bank, accounts receivable, liability, equity, income or expense).

5. Choose the **Detail Type**.



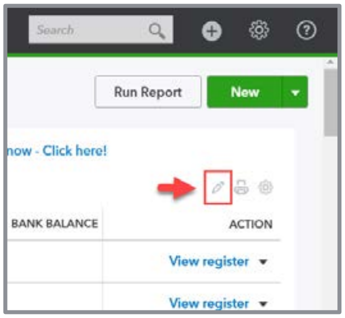
6. Enter the name, account number (if enabled) and description.

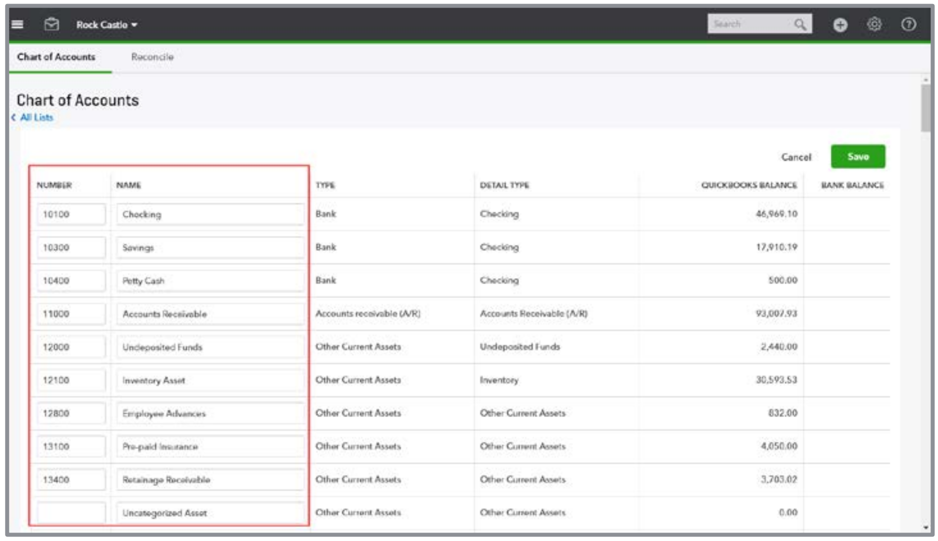
7. If the item is a sub-account, check the box and choose the parent account from the drop-down.

8. If creating a balance sheet account, the balance box should not be used. When you put an amount in this box the offsetting debit or credit is made to opening balance equity.

9. Click **Save and Close** or **Save and New** to enter another account.

TIP: *If you need to edit the numbers or names of your Chart of Accounts, click the **pencil** icon at the top right of the list. This opens a grid format that allows you to change the name and account number without opening the Edit screen for each account.*



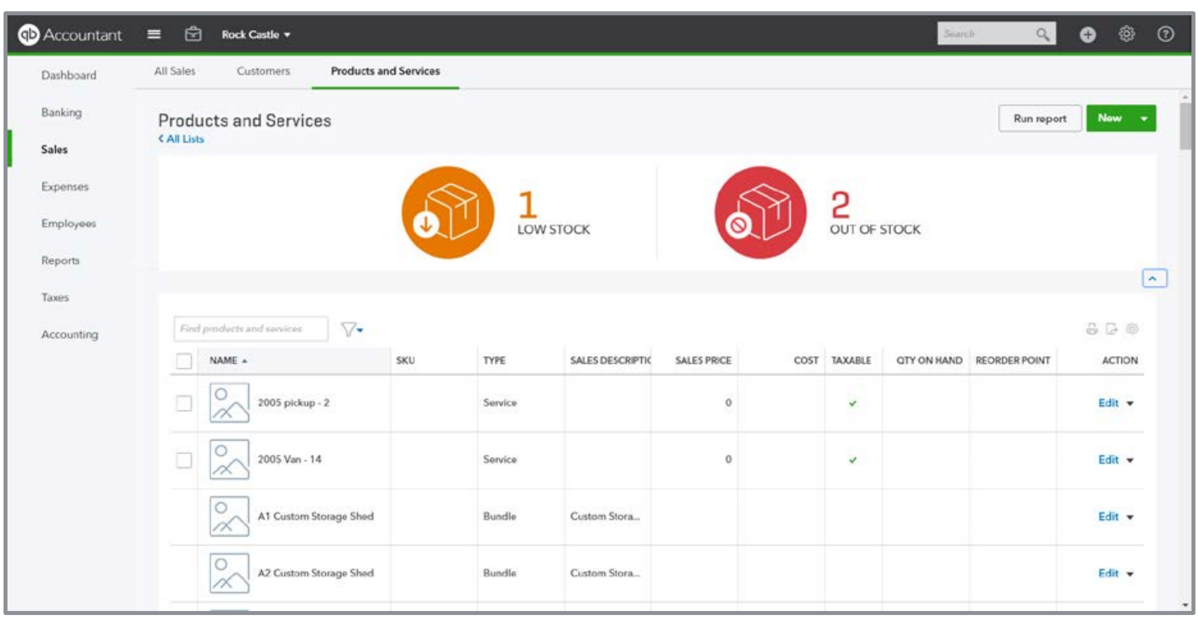


Products and Services List

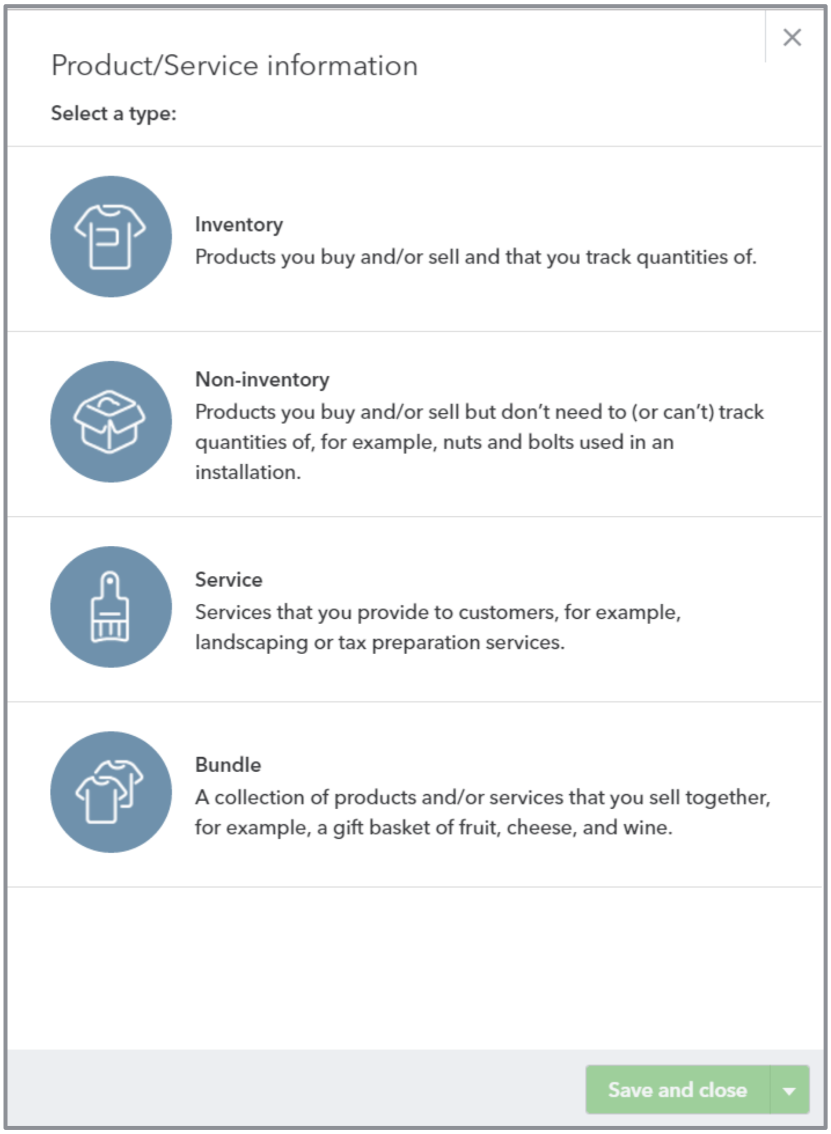
The Products and Services list contains the items that will appear on your purchase and sales transactions. Each item must be mapped to an account in the Chart of Accounts. Each time the item is used in the transaction, the appropriate entry is made behind the scenes. You can import your Items list from Excel using the Import utility, which we will learn about later in this module.

Step-by-Step: Create a new Product or Service

1. Click the green **New** button at the top right of your Products and Services list.

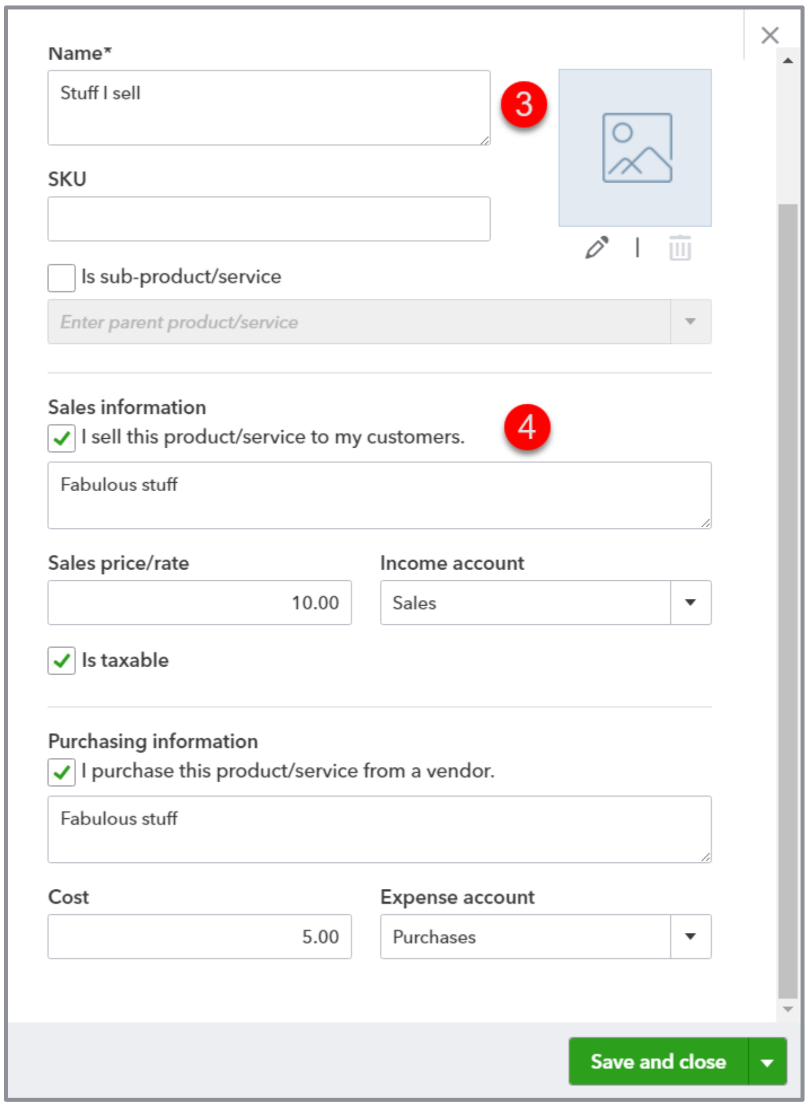


2. If you are working in a QuickBooks Online Plus subscription with inventory enabled, you'll have four item types to choose from:
    - Inventory (Plus only)
    - Non-inventory
    - Service
    - Bundle



3. Choose a name for your item and enter a description. You can enter the SKU number and upload a photo of your item.

4. The bottom of the screen is where you enter the sales information – description, sales price/rate and code the item to the appropriate income account. If you want to track the profitability of your items and use them in expense transactions, check the box under **Purchasing information** for non-inventory and service items and enter the cost and expense account.



To enable inventory tracking in QuickBooks Online Plus, you must first enable the feature in the Company Settings menu: **Sales** tab → **Products and services** → **Track quantity on hand** or click **Turn on inventory tracking** when you click the green **New** button to add a new item. QuickBooks Online values inventory using the FIFO method.

NOTE: *All versions of QuickBooks Desktop use the average cost method of inventory valuation, except QuickBooks Enterprise Solutions with Advanced Inventory.*

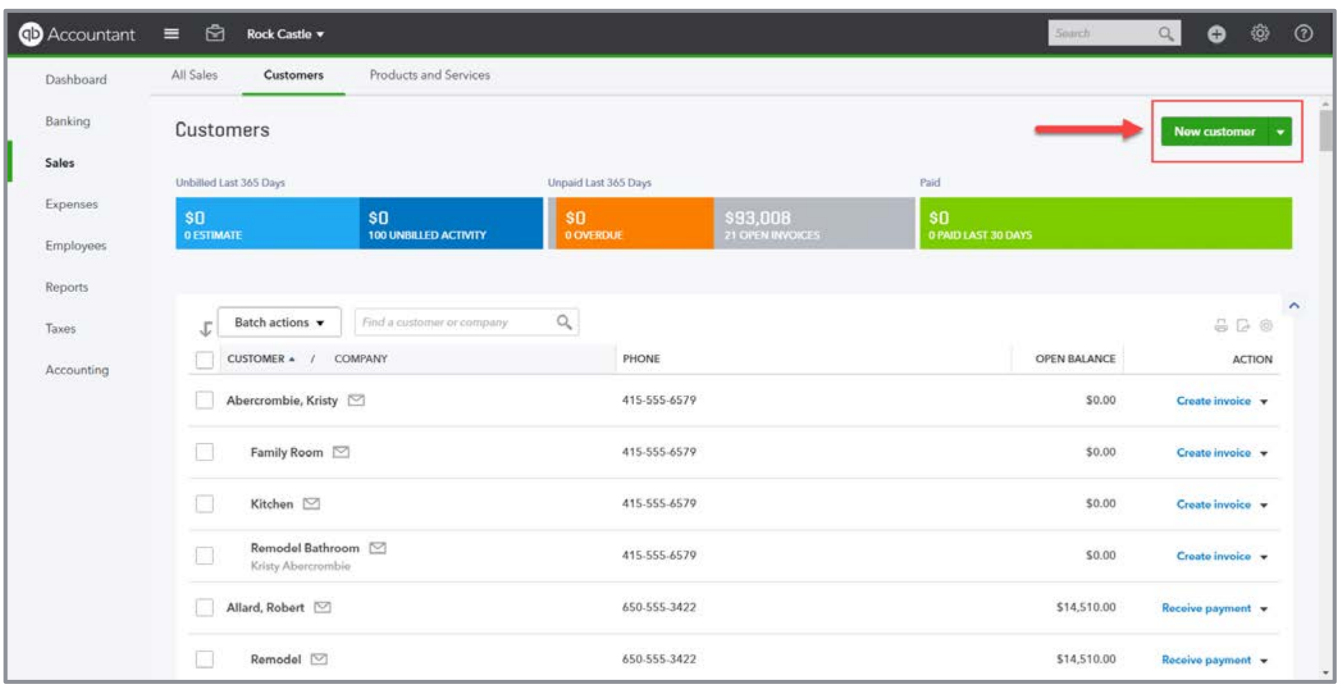
NOTE: *If you enter a beginning quantity on hand when creating a new inventory item, QuickBooks will create a journal entry to debit the Inventory Asset account and credit the Opening Balance Equity account. If you do not want this to occur, enter a beginning quantity of zero.*

WORKING WITH THE CUSTOMERS, VENDORS AND EMPLOYEES LISTS

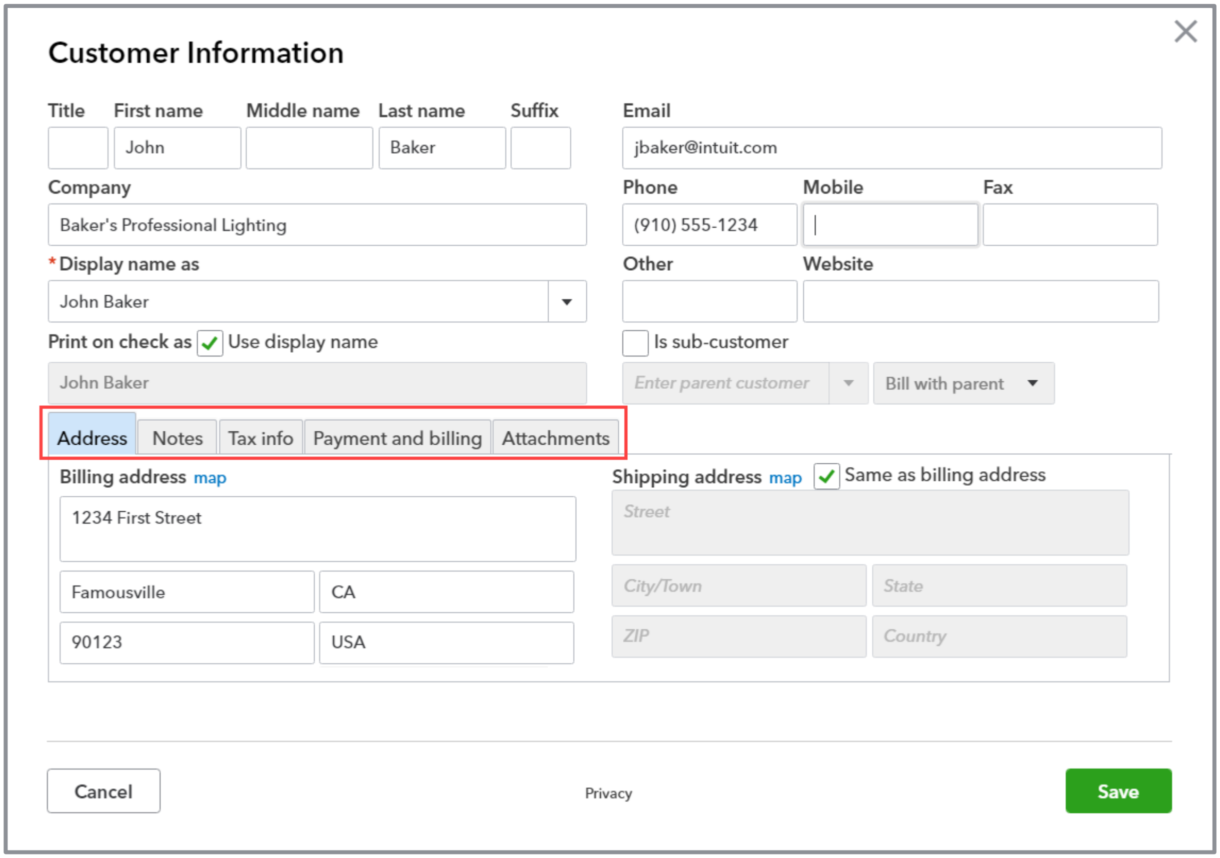
You create a new customer, vendor or employee from their center in the left navigation pane. You can also add a new name from the name fields in transactions by selecting **+ add new** from the drop-down list. Each setup screen will have fields related to the type of name you are creating.

Step-by-Step: Add a New Customer

1. Click the **New customer** button at the top right of the Customers list.

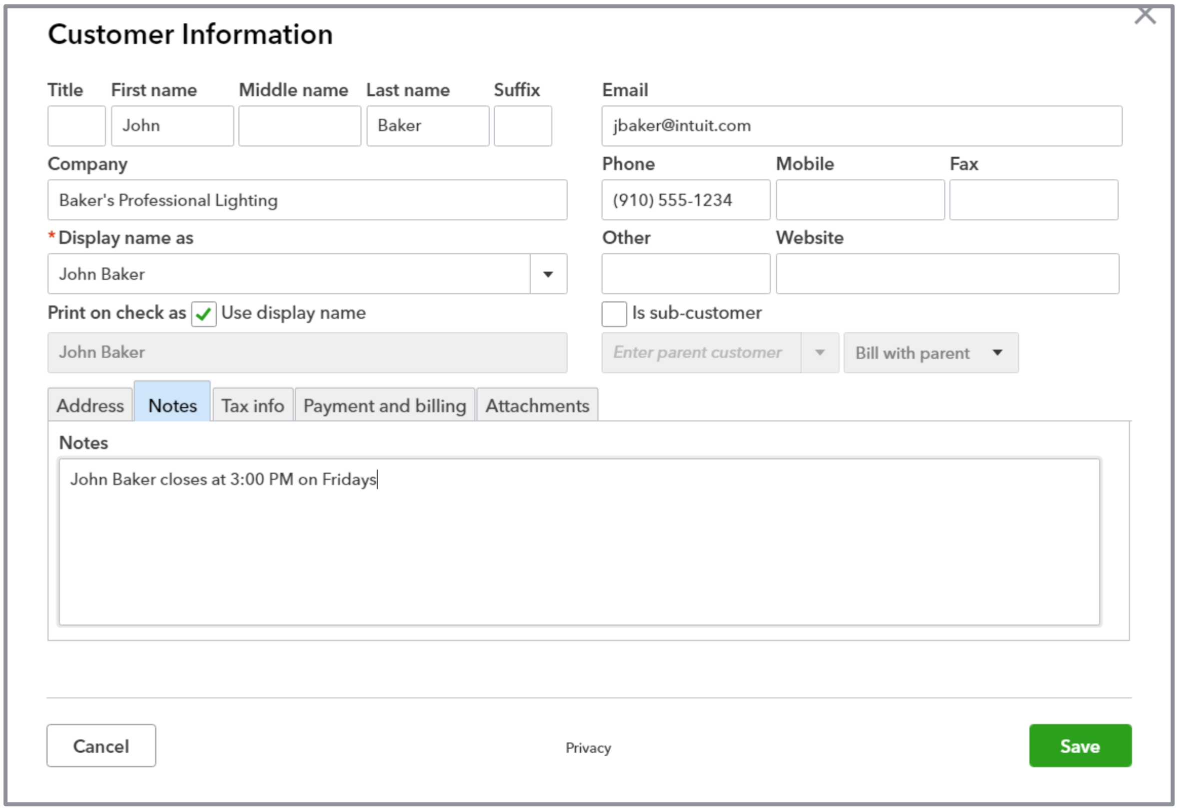


2. Enter information about your customer such as name, address and other contact information. Notice the five tabs above the billing address:

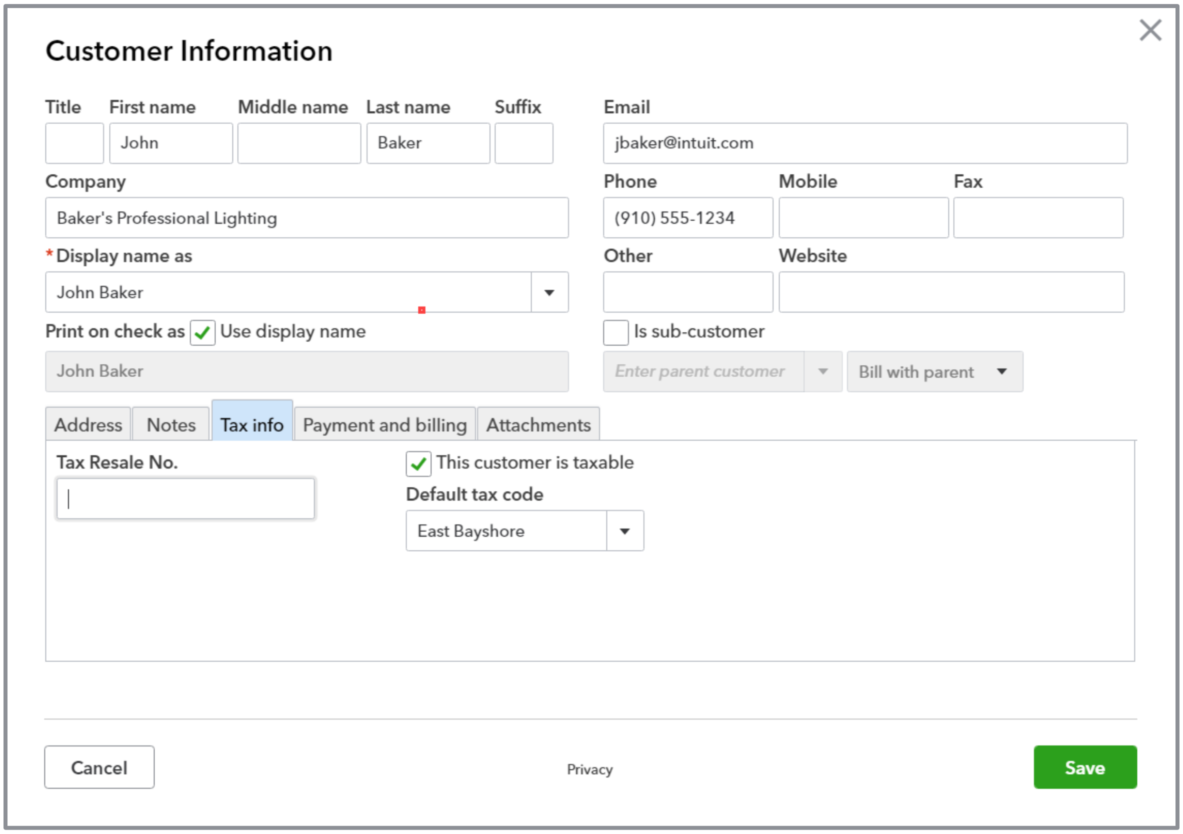


TIP: *You can choose how your client name is displayed in the Client list by clicking the* ***drop-down menu*** *next to Display name as.*

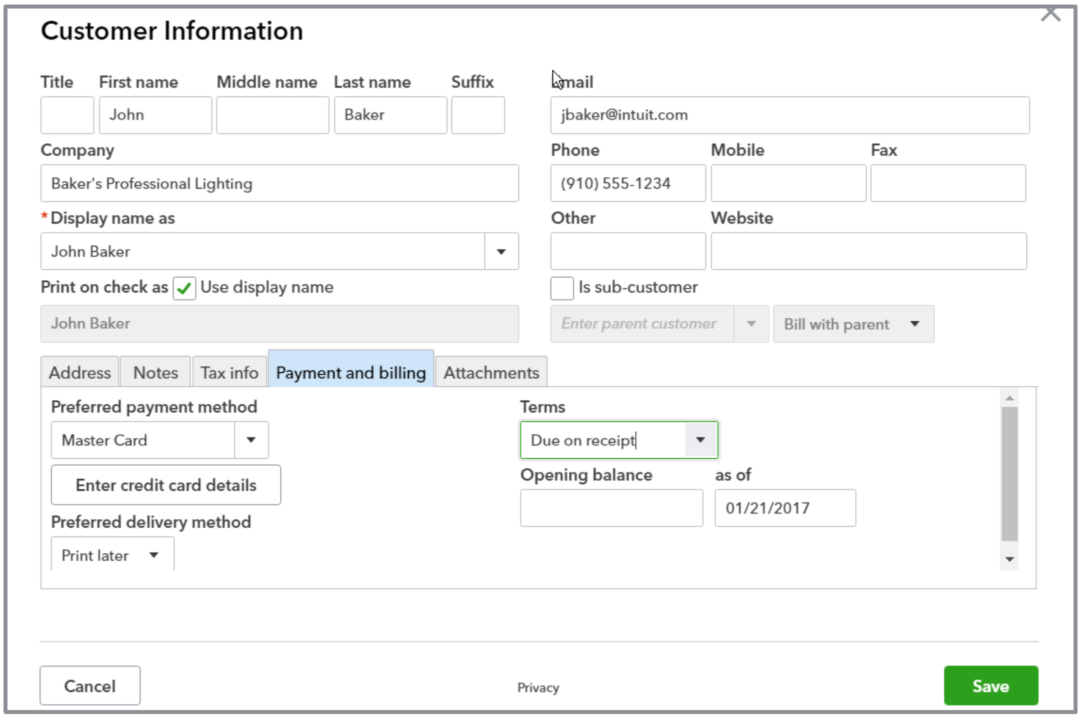
3. Click on the **Notes** tab to record notes about your customer.



4. Click the **Tax info** tab to indicate whether your customer should be charged sales tax and select a default tax code. You can also store the tax customer's resale number here.



5. Choose the **Payment and billing** tab to store your customer's preferred payment method, preferred delivery method and terms.



6. You can attach documents to the customer such as a contract, quote or resale certificate.

7. Click **Save** and your customer has been added.

NOTE: *It is a good idea to enter as much information as you can when you initially set up a name so you can fully utilize the power of the QuickBooks Online database when creating reports and working with your list data. It can save time up front to skip fields, but you may regret it later when you realize your lists aren't complete.*

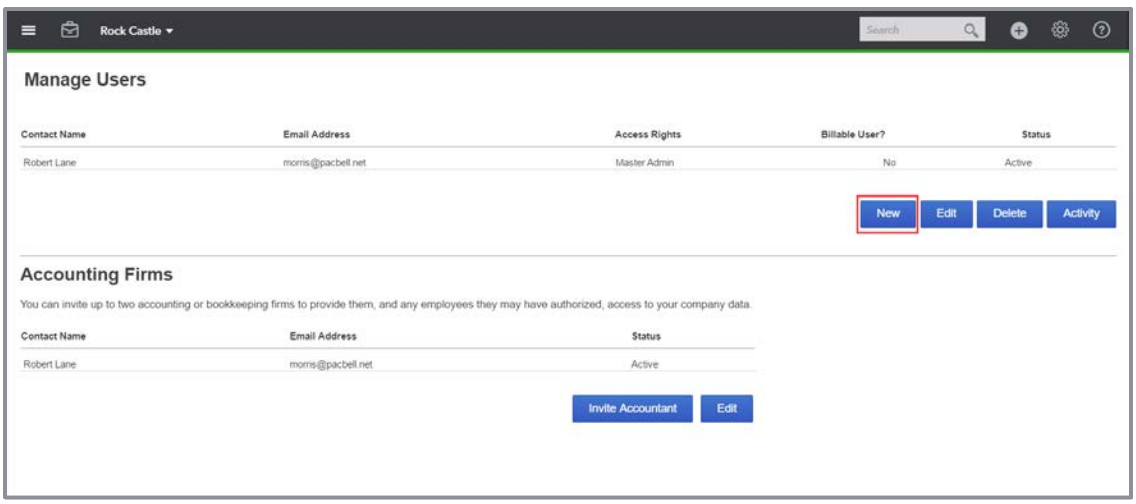
MANAGE USERS

Step-by-Step: Set up Users

1. Click the **gear** icon in the top right top navigation bar, then select **Manage Users** under the Your Company column.

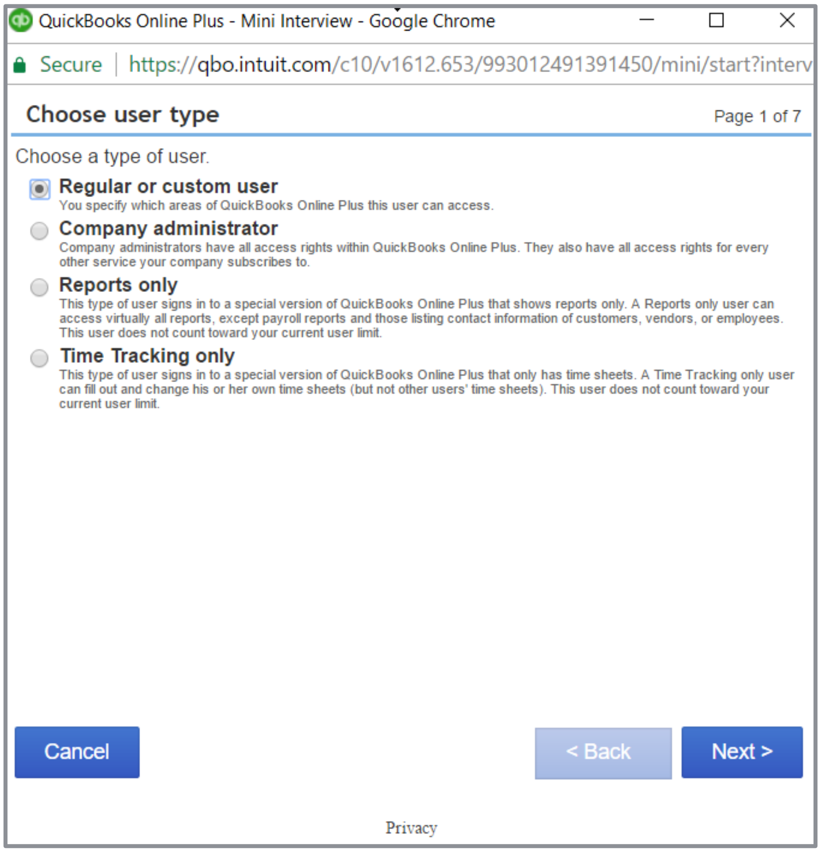
2. To add a user, click the **New** button.

TIP: *You must allow pop-ups in your browser to add a new user.*



NOTE: *A client who already uses QuickBooks can add your firm as an accountant firm user. From the New User screen, have them select* ***Invite Accountant****. This will open the invite screen where they will enter the master administrator email of your firm. Learn more about this process in Module 10.*

3. Choose the type of user you would like to add. You can choose from the following types:



- **Regular or custom user** – Control which areas of QuickBooks the user has access to
- **Company administrator** – Access to all areas of the program including settings and full access rights to all other services the QuickBooks Online company subscribes to, such as payroll and Intuit Payments
- **Reports only** (Plus only) – Users log into a special version of QuickBooks Online that gives them access to almost all reports except payroll and list reports that include contact information (you can have unlimited reports only users with your QuickBooks Online Plus subscription)
- **Time Tracking only** (Plus only) – Log into a special version of QuickBooks Online that only has time sheets; users fill out and change their own time sheets but do not have access to other users' timesheets (you can have unlimited time tracking users with your QuickBooks Online Plus subscription)

4. If you choose Custom user, you will need to specify the user's access rights within QuickBooks Online.

5. After you have configured access, invite the user by entering their email address and name. Once the user is added they will receive an invitation email with instructions to create a new user account and log in.

6. To modify a user's rights or login information, click the **Edit** button from the Manage Users screen. You can also delete users and view their activity from the Manage Users screen.

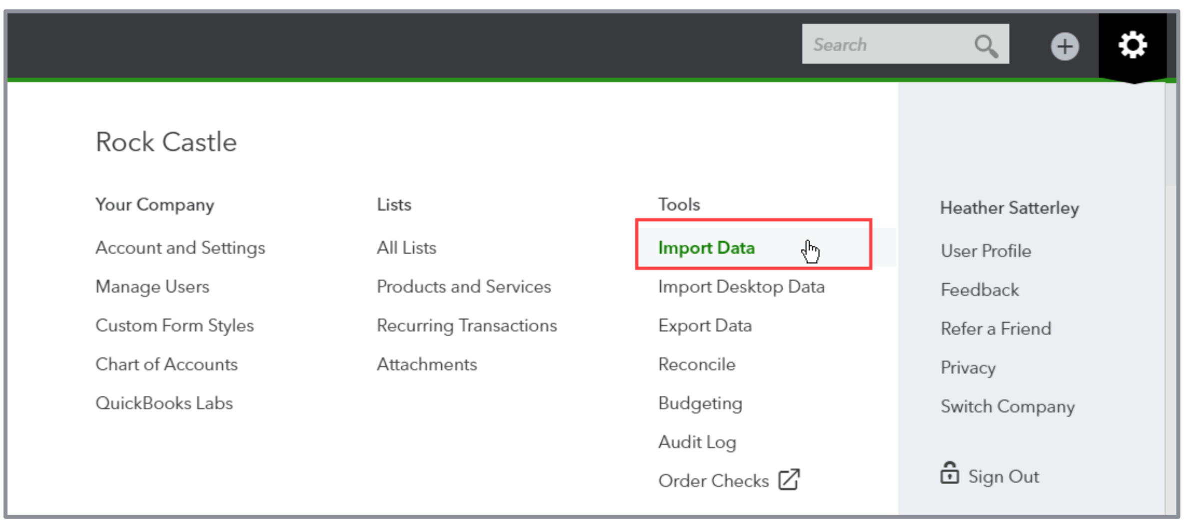
Topic 4: **Import Data into QuickBooks Online**

IMPORT LISTS INTO QUICKBOOKS ONLINE

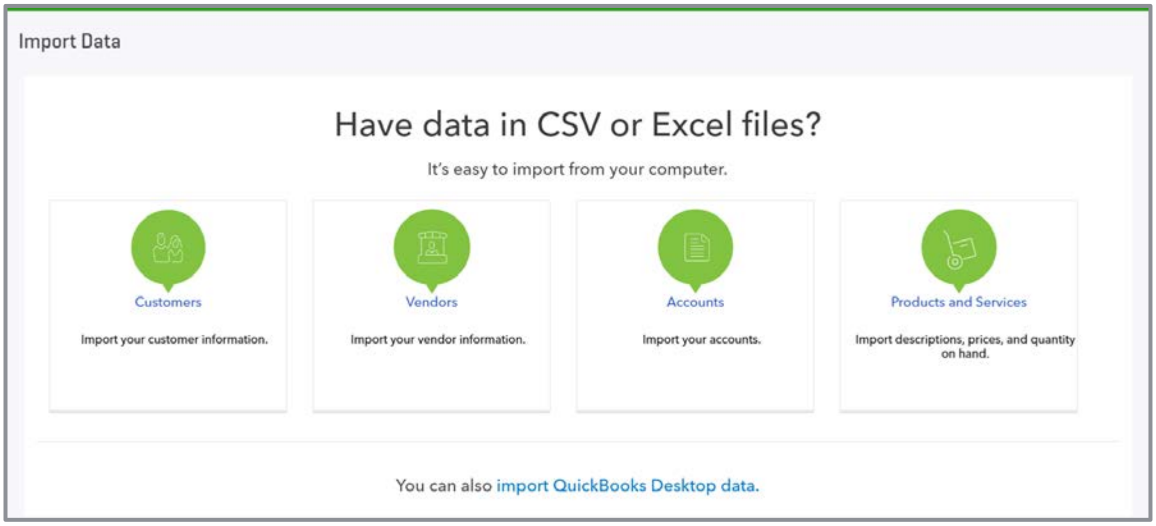
You can import the following lists into QuickBooks Online using the Import utility from a CSV or Excel file:

- Customers
- Vendors
- Chart of Accounts
- Products and Services

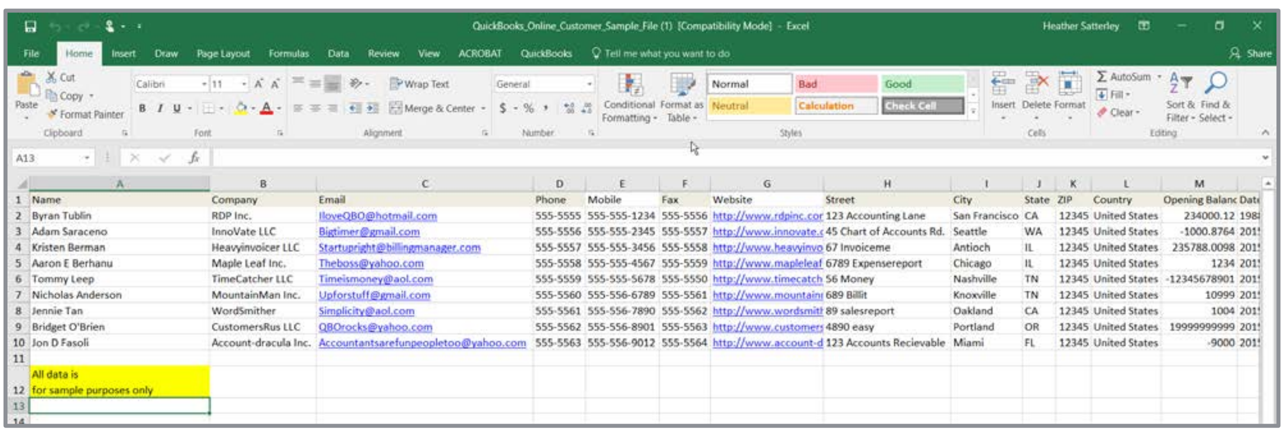
The import utility is found by clicking on the **gear** icon then selecting **Import Data** under the Tools list.



Before you attempt to import list data into QuickBooks Online, it is helpful to know what fields can be imported. You can find this by downloading a sample file from the import data screen.



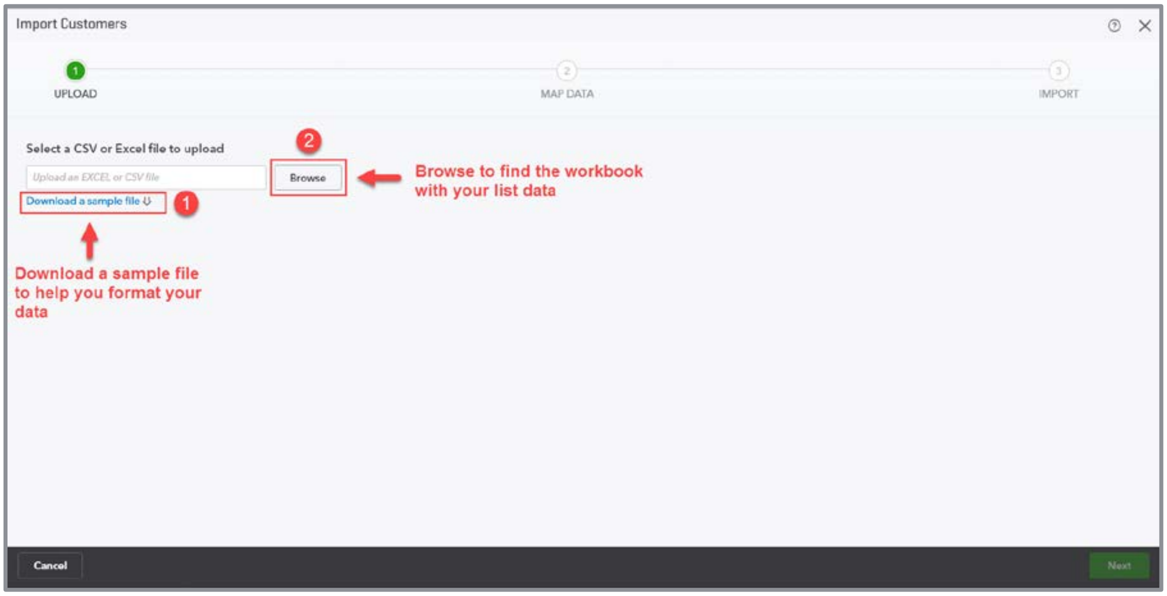
There is a template Excel file for each list type which you can use to format your data, or simply copy and paste each column from another source. Once you have correctly formatted your Excel data, you are ready to import.



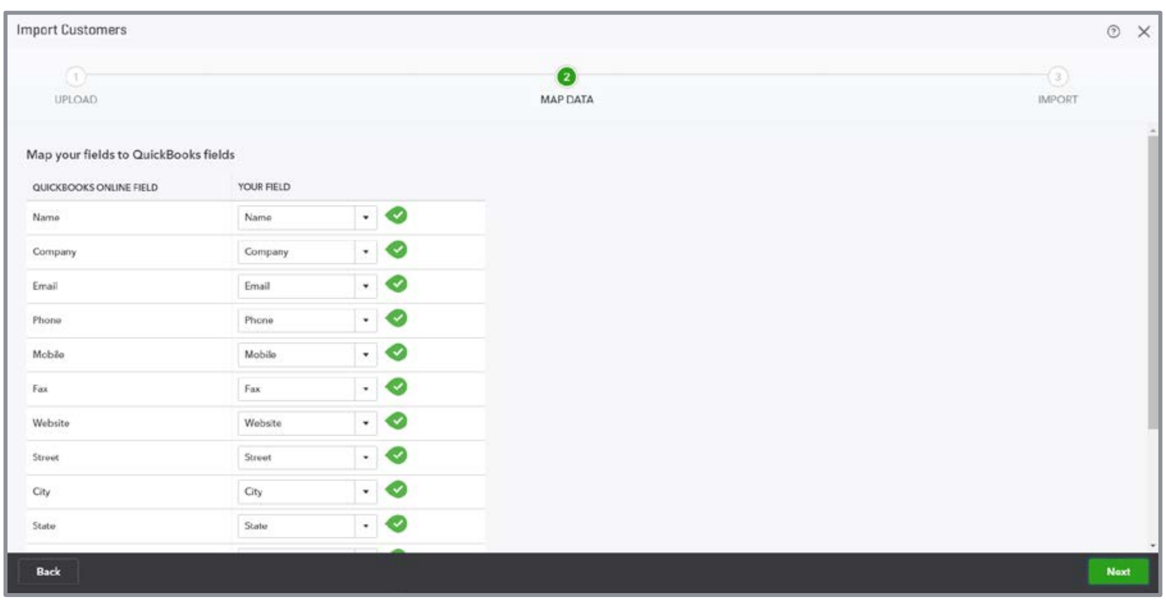
Name	Company	Email	Phone	Mobile	Fax	Website	Street	City	State	ZIP	Country	Opening Balanc	Dat
Byran Tublin	RDP Inc.	IloveQBO@hotmail.com	555-5555	555-555-1234	555-5556	http://www.rdpinc.cor	123 Accounting Lane	San Francisco	CA	12345	United States	234000.12	198
Adam Saraceno	InnoVate LLC	Bigtimer@gmail.com	555-5556	555-555-2345	555-5557	http://www.innovate.c	45 Chart of Accounts Rd.	Seattle	WA	12345	United States	-1000.8764	201
Kristen Berman	Heavyinvoicer LLC	Startupright@billingmanager.com	555-5557	555-555-3456	555-5558	http://www.heavyinvo	67 Invoiceme	Antioch	IL	12345	United States	235788.0098	201
Aaron E Berhanu	Maple Leaf Inc.	Theboss@yahoo.com	555-5558	555-555-4567	555-5559	http://www.mapleleaf	6789 Expensereport	Chicago	IL	12345	United States	1234	201
Tommy Leep	TimeCatcher LLC	Timeismoney@aol.com	555-5559	555-555-5678	555-5550	http://www.timecatch	56 Money	Nashville	TN	12345	United States	-12345678901	201
Nicholas Anderson	MountainMan Inc.	Upforstuff@gmail.com	555-5560	555-556-6789	555-5561	http://www.mountain	689 Billit	Knoxville	TN	12345	United States	10999	201
Jennie Tan	WordSmither	Simplicity@aol.com	555-5561	555-556-7890	555-5562	http://www.wordsmit	89 salesreport	Oakland	CA	12345	United States	1004	201
Bridget O'Brien	CustomersRus LLC	QBOrocks@yahoo.com	555-5562	555-556-8901	555-5563	http://www.customers	4890 easy	Portland	OR	12345	United States	19999999999	201
Jon D Fasoli	Account-dracula Inc.	Accountantsarefunpeopletoo@yahoo.com	555-5563	555-556-9012	555-5564	http://www.account-d	123 Accounts Recievable	Miami	FL	12345	United States	-9000	201
All data is for sample purposes only													

Step-by-Step: Import a List

1. From the Import screen click the **Browse** button to find your workbook.
2. Click **Next**.

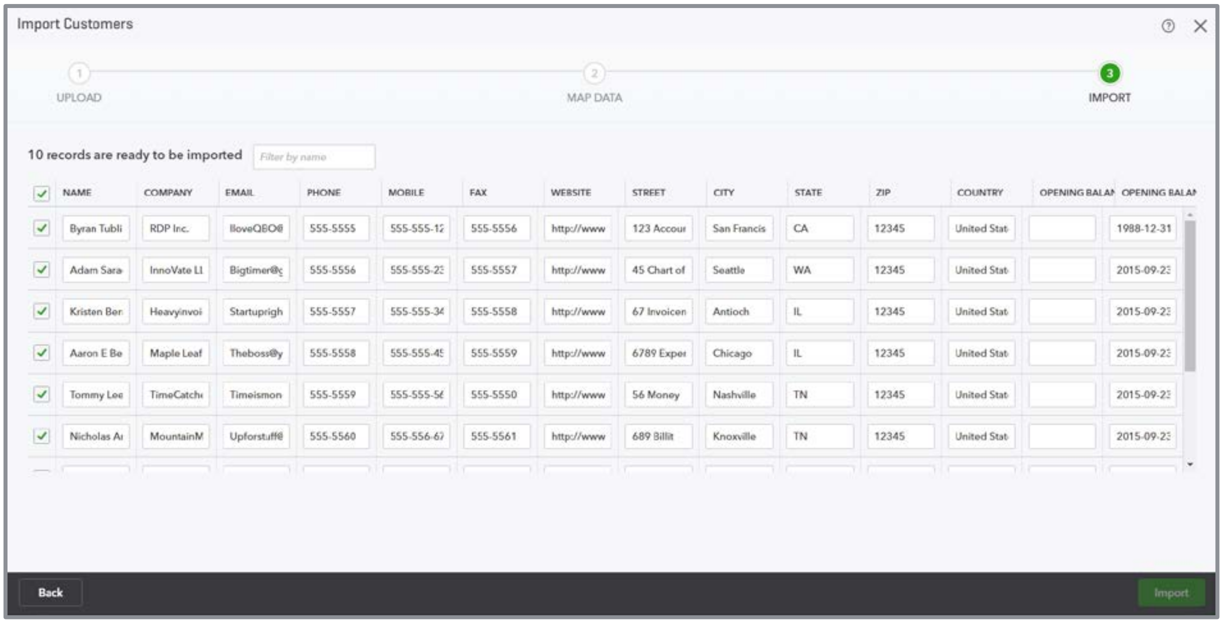


3. QuickBooks will try to match the labels in your worksheet to the fields in QuickBooks Online. One of the major benefits of using the template provided is you won't need to manually map the fields. But if you do need to map, click the **drop-down** next to the QuickBooks Online field name to choose the corresponding field in Excel.



4. When you have finished your mapping, click **Next**.

5. The Import screen displays the data before you actually import it into QuickBooks Online. You can make changes to the data here if you need to.



6. Once you are happy with your data, click **Import**. QuickBooks will tell you if your data was imported successfully.

IMPORT FROM QUICKBOOKS DESKTOP

QuickBooks Online allows users to import data from QuickBooks Desktop within the first 180 days of creating the QuickBooks Online account. When this data is imported, it replaces any data in the QuickBooks Online account.

Most QuickBooks Desktop data can be imported, but there are some limitations. International versions of QuickBooks Desktop cannot be imported into QuickBooks Online's U.S. version. This link contains a comprehensive guide to converting from QuickBooks Desktop to QuickBooks Online: https://community.intuit.com/articles/1145779-overview-guide-import-to-quickbooks-online-from-quickbooks-desktop.

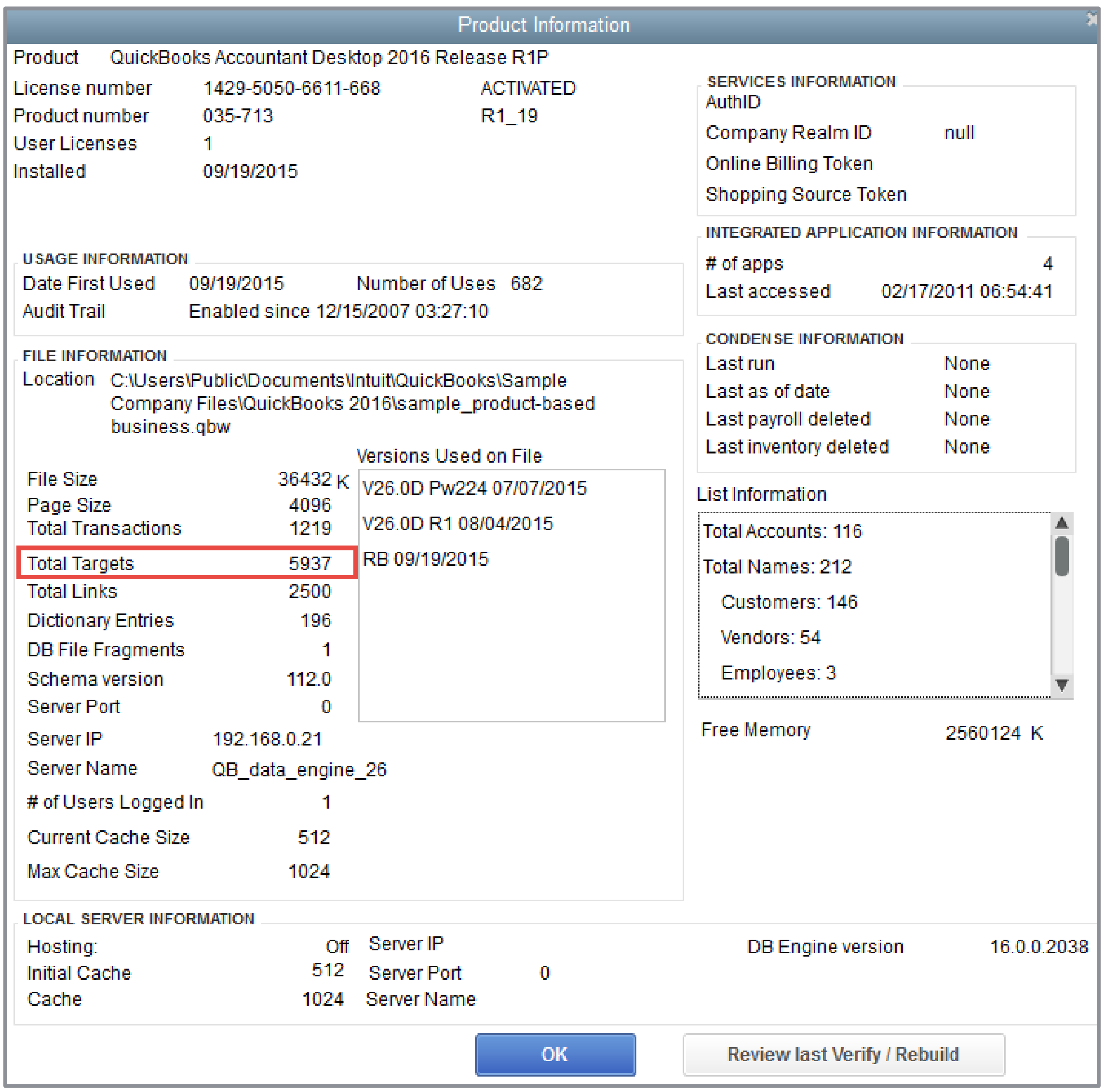
Step-by-Step: Convert from QuickBooks Desktop to QuickBooks Online

This will not work with the QuickBooks Online sample company, but these steps may be followed with a new client who has been using QuickBooks Desktop.

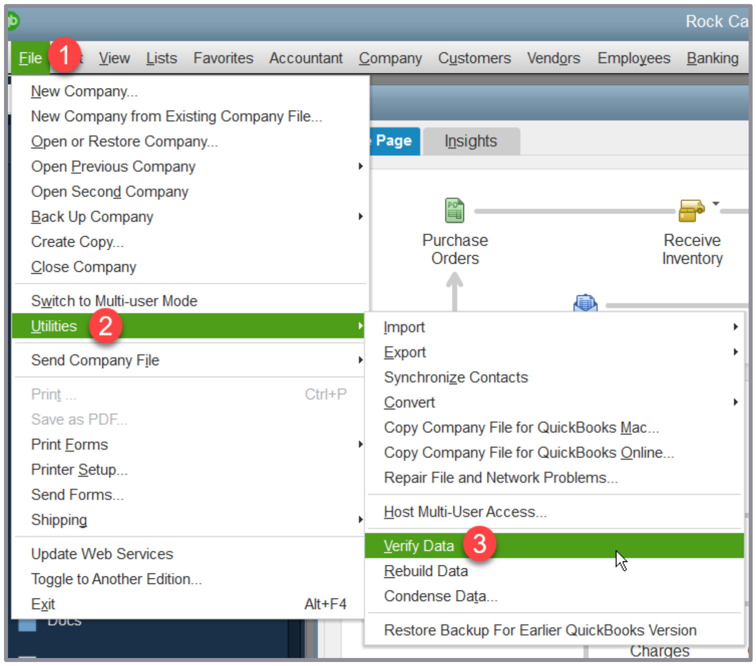
A QuickBooks Online company should be set up by the client or by the accountant user creating a QuickBooks Online company on behalf of the client from within QuickBooks Accountant (covered in Topic 1).

1. Open the QuickBooks Desktop company data file as the administrator user.

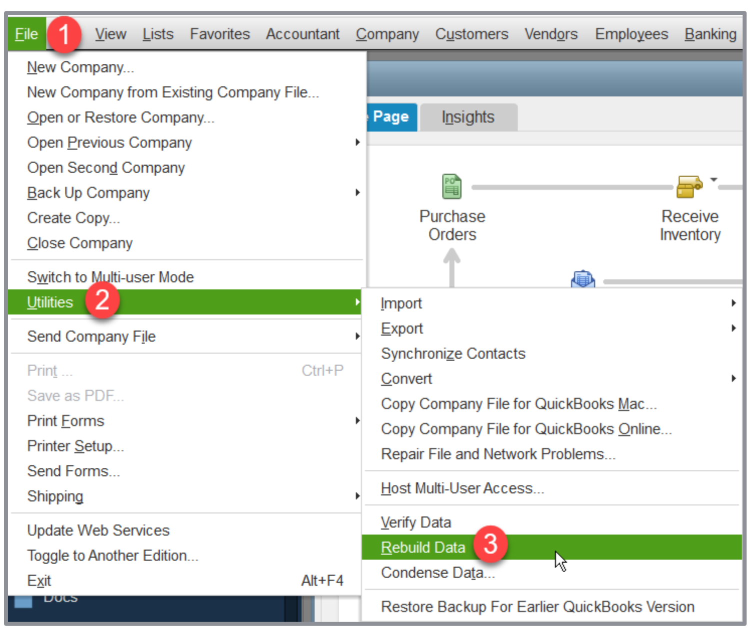
2. The file cannot have more than 350k targets. To view the size of your file, press the **F2** key. If the file has more than 350k targets, you can still import lists.



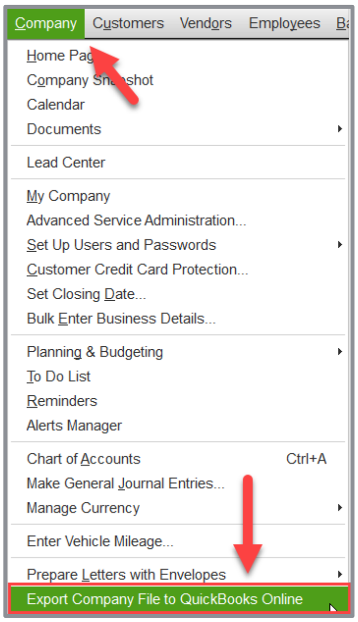
3. Navigate to **File → Utilities** (or **Maintenance**) **→ Verify Data**. Correct any errors in the QuickBooks data before proceeding to the next step.

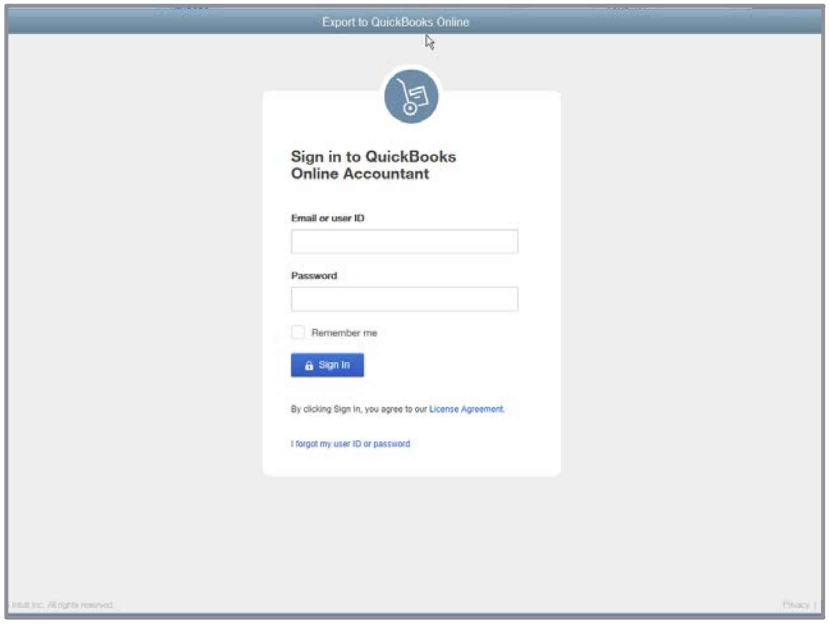


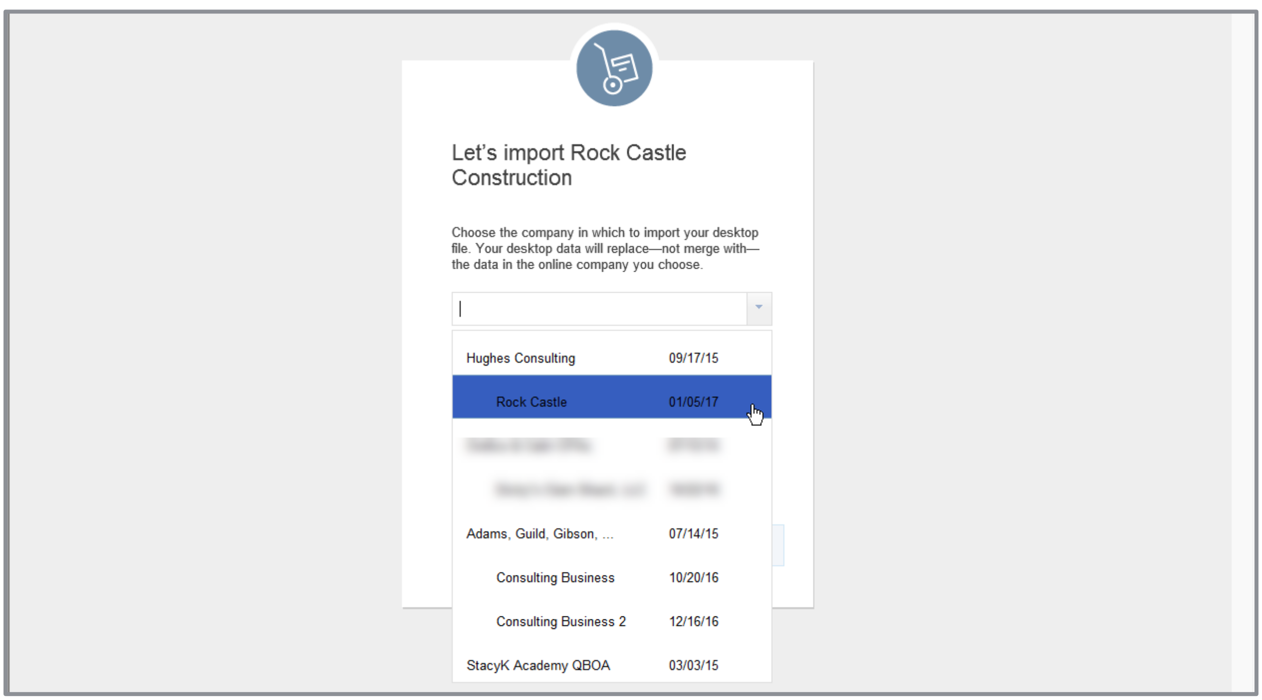
4. Navigate to **File → Utilities** (or **Maintenance**) **→ Rebuild Data**. A backup must be created before QuickBooks Desktop runs the rebuild action.



5. Navigate to **Company → Export Company File to QuickBooks Online**. The wizard will provide the steps to sign in and identify the proper QuickBooks Online account then import data directly from the QuickBooks Desktop company.







NOTE: *Be very careful with this step as it will overwrite all data in the QuickBooks Online account you select. If you are practicing this process, create a new QuickBooks Online account that can be cancelled.*

6. Once complete, wait for confirmation that the QuickBooks Desktop file has been successfully imported. An email notification will be sent within 24 hours. Often the conversion is very quick and email confirmation is received almost immediately.

7. Verify the data was imported correctly. Create a Balance Sheet and Profit & Loss report in both QuickBooks Online and Desktop. Customize the date range to All Dates. Set the accounting method to Accrual. Compare the balances, looking for any inconsistencies.

NOTE: *It is recommended that you do any necessary cleanup in your QuickBooks Desktop file before you convert it to QuickBooks Online. This includes cleaning up list items, writing off old invoices, etc.*

Guide Conclusion

You have just completed *Module 2: Setup*. This Supplemental Guide, in tandem with its recorded module, has been provided to help prepare you for the QuickBooks Online Certification Exam. Continue on to the remaining modules and their related guides and then proceed to the certification exam.

By completing this module, you should be able to:

- Specify the steps to create a new QuickBooks Online Company
- Recognize the steps to manage Account and Settings
- Identify accounting-related preferences
- Identify sales-related settings
- Identify expense-related settings
- Specify the steps to setup and modify lists and users
- Identify the steps to import data into QuickBooks Online