

Intuit ProLine

QuickBooks 2011 Student Guide

Entering Sales Information

Lesson 6

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

Using Sales Forms 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 customer is 'Duncan, Dave:Utility Shed'. The invoice is dated 12/15/2015 and has an invoice number of 92. The bill-to address is 3442 W. Charleston, Bayshore, CA 94326. The terms are 'Net 30' and the due date is 01/14/2024. The invoice includes a line item for 'Labor' with a quantity of 40, a rate of 40.00, and an amount of 1,600.00. There is also a tax line for 'San Tomas' at 7.75% with an amount of 0.00. The total amount is 1,600.00. The window also shows a summary of the customer's account, including phone, email, open balance, and recent transactions.

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Labor	40		40.00	1,600.00	Non
Customer Message					
Tax		San Tomas (7.75%)		0.00	
Total				1,600.00	

3. Close the Create Invoices window.

Notes

Using Sales Forms 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 close it.
3. Click **Previous** to view the previously entered sale.

Enter Sales Receipts

Customer: Job
Keenan, Bridget:Sun Room

DATE: 12/10/2015
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 payment when saving

Buttons: Save & Close, Save & New, Revert

4. Close the Enter Sales Receipts window.

Notes

Filling In a Sales Form

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** from the drop-down list.
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.

The screenshot shows the 'Create Invoices' window with the following details:

- Customer:Job:** Jacobsen, Doug:Kitchen
- Template:** Custom Invoice
- DATE:** 12/15/2015
- INVOICE #:** 93
- BILL TO:** Doug Jacobsen, 6845 Ocean View, Bayshore, CA 94326
- P.O. NO.:** (empty)
- TERMS:** Net 30
- DUE DATE:** 01/14/2016
- CONTRACT #:** 1097-01-DJAC
- ITEM TABLE:**

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Customer Message					
		Tax	San Tomas (7.75%)		0.00
		Total			0.00
- Payments Applied:** 0.00
- Balance Due:** 0.00
- Customer Tax Code:** Tax
- Recent Transactions:**

Transaction	Amount
12/14/15 Payment	2,000.00
11/25/15 Payment	1,200.00
11/25/15 Invoice	4,725.00
10/30/15 Payment	2,412.75
10/23/15 Invoice	3,207.75
- Unbilled time and expenses:** 3,370.00

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 near the top of the screen.

Print Preview -- Page 1 of 1

Print Prev page Next page Zoom In Help Close

Rock Castle Construction
1735 County Road
Bayshore, CA 94326

Invoice

DATE	INVOICE #
12/15/2015	93

BILL TO
Doug Jacobson
6843 Ocean View
Bayshore, CA 94326

P.O. NO.	TERMS	DUE DATE	PROJECT	CONTRACT #
	Net 30	1/14/2016	Kitchen	1097-01-DJAC

QUANTITY	DESCRIPTION	RATE	AMOUNT
49	Removal labor	35.00	1715.00
	CA sales tax, San Tomas County	7.75%	0.00
Total			\$1,715.00

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**.

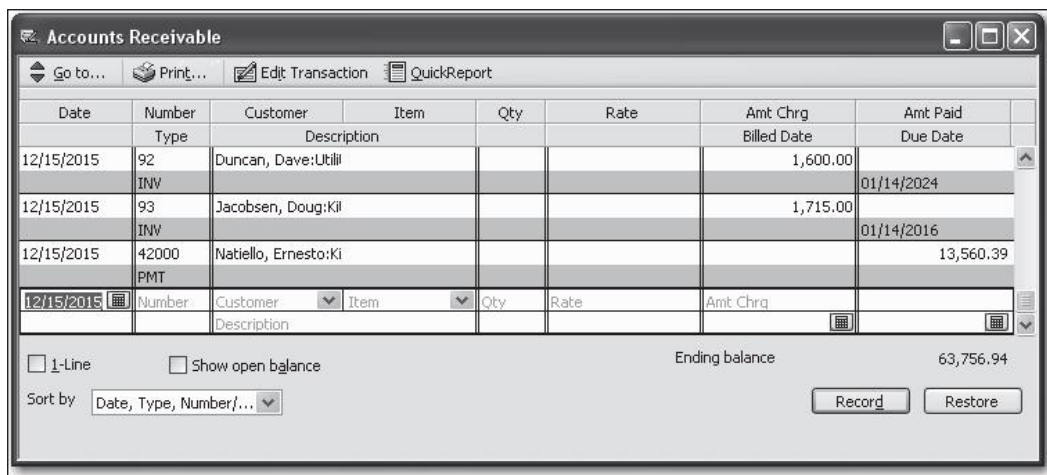
Notes

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.)

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.

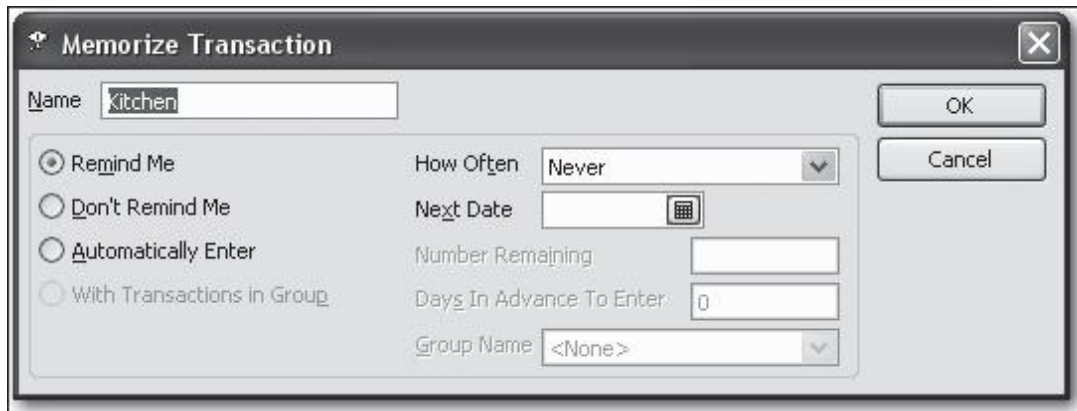
Notes

Repeating 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**.

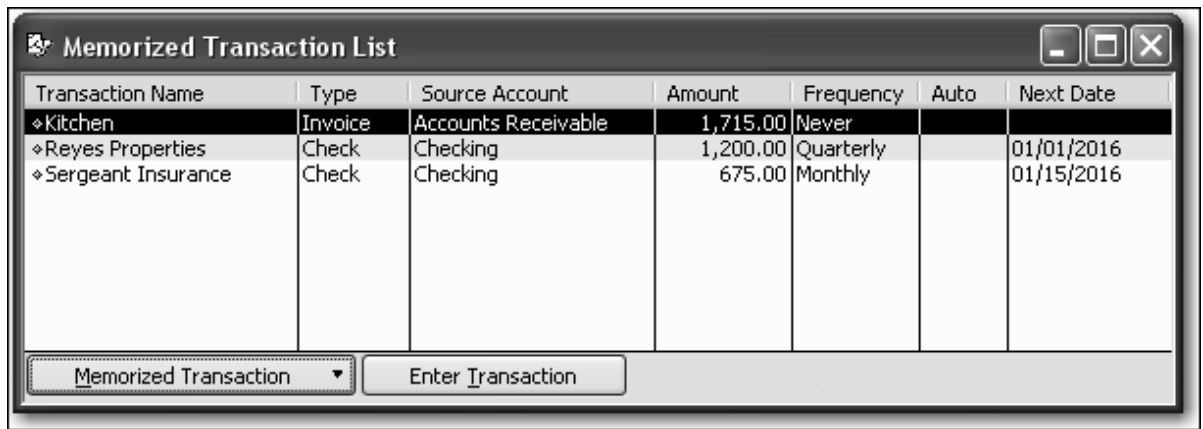


3. In the Name field, type a description that helps you recognize the memorized invoice, or keep the default description QuickBooks has provided.
4. Click **OK**.
5. Close the Create Invoice, Accounts Receivable, and the Chart of Accounts windows.

Notes

To recall a memorized sale:

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



Transaction Name	Type	Source Account	Amount	Frequency	Auto	Next Date
◆Kitchen	Invoice	Accounts Receivable	1,715.00	Never		
◆Reyes Properties	Check	Checking	1,200.00	Quarterly		01/01/2016
◆Sergeant Insurance	Check	Checking	675.00	Monthly		01/15/2016

Memorized Transaction List window controls: Memorized Transaction (dropdown), Enter Transaction (button)

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

Notes

Memorizing a sale

To create a batch invoice:

1. From the Customers menu, choose **Create Batch Invoices**.
2. Click **OK** to close the message.

Batch Invoice [X]

Step 1 of 3: Select a billing group or choose customers and click Next.

Search

Look for in Search within results

Billing Group [What is a billing group?](#)

Search Results

Name	Balanc...	Terms
Abercrombie, Kristy	0.00	Net 30
Family Room	0.00	Net 30
Kitchen	0.00	Net 30
Remodel Bathroom	0.00	Net 30
Baker, Chris	1,040.00	Net 30
Family Room	1,040.00	Net 30
Balak, Mike	0.00	Net 30
Utility Shed	0.00	Net 30
Barley, Renee	0.00	Net 15
Repairs	0.00	Net 15
Bolinski, Rafal	0.00	Net 30
2nd story addition	0.00	Net 30
Bristol, Sonya	0.00	Net 30
Repairs	0.00	Net 30
Utility Shed	0.00	Net 30
Burch, Jason	0.00	Net 30
Room Addition	0.00	Net 30

Customers in This Group

3. In the Look for field, type **Shed**.

Notes

4. Click Search
5. In the Billing Group field, type **Sheds** and click Tab.
6. Click Setup.
7. Click Select All.
8. Click Add.

Batch Invoice

Step 1 of 3: Select a billing group or choose customers and click Next.

Search: Look for 'shed' in All fields

Search Results:

Name	Balanc...	Terms
Natiello, Ernesto	-622.26	Net: 30
Keenan, Bridget:Storage Shed	0.00	Net: 30
Balak, Mike:Utility Shed	0.00	
Bristol, Sonya:Utility Shed	0.00	
Duncan, Dave:Utility Shed	1,600.00	
Dunn, Eric C.W.:Utility Shed	0.00	
Fisher, Jennifer:Utility Shed	0.00	Due on r...
Fomin, Slava:Utility Shed	0.00	
Jimenez, Cristina:Utility Shed	0.00	
Johnson, Gordon:Utility Shed	0.00	
Memeo, Jeanette:Utility Shed	0.00	Net: 60
Overfield, David:Utility Shed	0.00	
Ruff, Bryan:Utility Shed	0.00	

Billing Group: Sheds

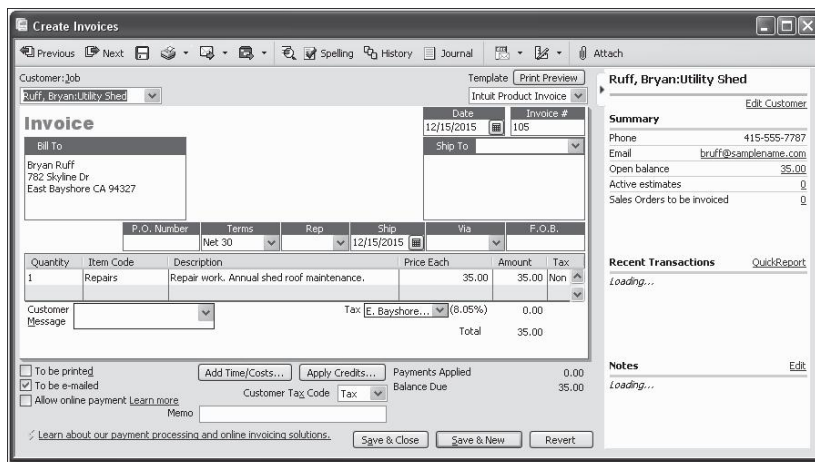
Customers in This Group:

- Natiello, Ernesto
- Keenan, Bridget:Storage Shed
- Balak, Mike:Utility Shed
- Bristol, Sonya:Utility Shed
- Duncan, Dave:Utility Shed
- Dunn, Eric C.W.:Utility Shed
- Fisher, Jennifer:Utility Shed
- Fomin, Slava:Utility Shed
- Jimenez, Cristina:Utility Shed
- Johnson, Gordon:Utility Shed
- Memeo, Jeanette:Utility Shed
- Overfield, David:Utility Shed
- Ruff, Bryan:Utility Shed

9. Click Save Group.
10. Click Next.

Notes

11. Enter the following information:
 Quantity: 1
 Item Code: Repairs
 Description: Repair work. Annual Shed roof maintenance.
12. Click Next.
13. Review the list of customers to invoice and click Create Invoices.
14. Click Email
15. Since you are using sample data you cannot email the invoices, so click Close.
16. Click Close to close the Batch Invoice Summary.
17. Click Create Invoices.
18. Click the Previous button.



19. Review the invoice for annual shed roof maintenance that you created.
20. Click Previous again.
21. Notice that the information on the invoice is the same.
22. Close the Create Invoices window.

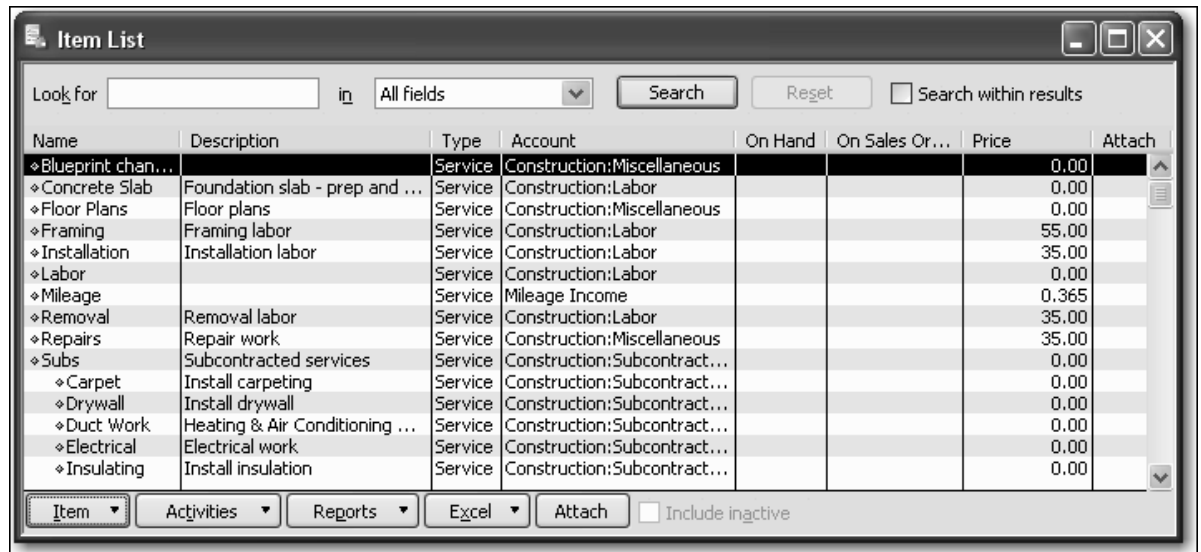
Notes

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**.



2. Click the Item menu button, and then choose New. If a message about the Add/Edit Multiple List Entries item feature appears, click OK to close it..
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**.
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**.

Notes

Entering a New Service Item

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:La

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.

Item List

Look for: [] in: All fields [Search] [Reset] Search within results

Name	Description	Type	Account	On Hand	On Sales Or...	Price	Attach
Plumbing	Plumbing repairs and maintenance	Service	Construction:Labor			55.00	
Subs	Subcontracted services	Service	Construction:Subcontract...			0.00	
Carpet	Install carpeting	Service	Construction:Subcontract...			0.00	
Drywall	Install drywall	Service	Construction:Subcontract...			0.00	
Duct Work	Heating & Air Conditioning ...	Service	Construction:Subcontract...			0.00	
Electrical	Electrical work	Service	Construction:Subcontract...			0.00	
Insulating	Install insulation	Service	Construction:Subcontract...			0.00	
Metal Wrk	Metal Work	Service	Construction:Subcontract...			0.00	
Painting	Painting	Service	Construction:Subcontract...			0.00	
Plumbing	Plumbing	Service	Construction:Subcontract...			0.00	
Roofing	Roofing	Service	Construction:Subcontract...			0.00	
Tile & Counter	Install tile or counter	Service	Construction:Subcontract...			0.00	
Cabinets	Cabinets	Inve...	Construction:Materials	0	0	0.00	
Cabinet Pulls	Cabinet Pulls	Inve...	Construction:Materials	110	0	0.00	
Light Pine	Light pine kitchen cabinet w...	Inve...	Construction:Materials	9	0	1,799.00	

Buttons: Item, Activities, Reports, Excel, Attach, Include inactive

12. Close the Item list.

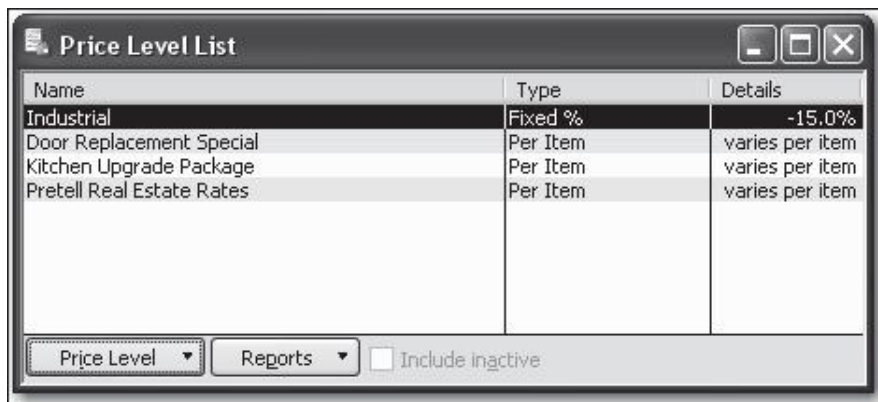
Notes

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. From the Price Level Type drop down list, select "Fixed %."

Notes

5. Leave “decrease” selected in the “This price level will” field, and then type 10 in the percentage field.

Always enter the percentage as a positive number.

6. From the “Round up to nearest” drop-down list, choose **1.00 minus .01**.

New Price Level

Price Level Name: Commercial Price Level is inactive

Price Level Type: Fixed % 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: decrease item prices by 10.0%

Round up to nearest: 1.00 minus .01

How do I print a report?

OK Cancel Help

7. Click **OK**.

Price Level List

Name	Type	Details
Commercial	Fixed %	-10.0%
Industrial	Fixed %	-15.0%
Door Replacement Special	Per Item	varies per item
Kitchen Upgrade Package	Per Item	varies per item
Pretell Real Estate Rates	Per Item	varies per item

Price Level Reports Include inactive

8. 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 **Low Plumbing - C**.
3. Click **Edit Customer**.
4. Click the **Additional Info** tab.
5. From the Price Level drop-down list, choose **Commercial**.

The screenshot shows the 'Edit Customer' window for 'Low Plumbing - C'. The 'Additional Info' tab is active, and the 'Price Level' dropdown is set to 'Commercial'. The window includes fields for Customer Name, Current Balance, Address Info, Additional Info, Payment Info, and Job Info. The 'Additional Info' section contains 'Categorizing and Defaults' (Type: Commercial, Terms: Net 30, Rep, Preferred Send Method: E-mail), 'Sales Tax Information' (Tax Code: Tax, Tax Item: San Tomas, Resale Number), 'Custom Fields' (Contract #, B-Day, Spouse's Name), and 'Online Banking Alias Management' (Manage Aliases). A 'Customer is inactive' checkbox is also present. The window has standard Windows controls (minimize, maximize, close) and buttons for OK, Cancel, Notes, Help, and Customer Manager Online.

6. Click **OK** to close the Edit Customer window and save your changes.
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.



The screenshot shows a software window titled "Customer: Job [Commercial]". Below the title is a dropdown menu with "Lew Plumbing - C" selected. The main content area is titled "Invoice" and contains a "BILL TO" section with the following address: "Lew Plumbing", "221 Old Bayshore Rd", "Bayshore CA 94326".

4. Click in the Item column and choose **Framing** from the drop-down list.
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.

- In the Quantity field, type 2 and then press Tab.

Create Invoices

Customer: Job [Commercial] Template [Print Preview]
 Low Plumbing - C Custom Invoice

Invoice DATE: 12/15/2015 INVOICE #: 95

BILL TO
 Low Plumbing
 221 Old Bayshore Rd
 Bayshore CA 94326

P.O. NO.	TERMS	DUE DATE	CONTRACT #
	Net 30	01/14/2016	

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

To be printed Add Time/Costs... Apply Credits... Payments Applied 0.00
 To be e-mailed Customer Tax Code Tax Balance Due 632.64
 Allow online payment [Learn more](#) Memo

[Learn about our payment processing and online invoicing solutions.](#) Save & Close Save & New Revert

Low Plumbing - C [Edit Customer](#)

Summary

Phone 415-555-5483
 Email glew@samplename.com
 Open balance 574.92
 Active estimates 0
 Sales Orders to be invoiced 0

Recent Transactions [QuickReport](#)

12/15/15 Payment 45.00
 12/15/15 Invoice 399.92
 12/12/15 Invoice 220.00

Notes [Edit](#)

Low Plumbing is a Vendor
 See the Vendor list

- Keep the invoice open and choose Item List from the Lists menu.
- 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. QuickBooks has automatically reduced the rate on the invoice by 10 percent and rounded the amount according to your price level setting.
- In the Item list, scroll to the Wood Door:Exterior item and note that the base sales price is \$120.00 – 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.
- Close the Item list.
- 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.

When you move out of that field on the form, QuickBooks recalculates the amount and balance due.

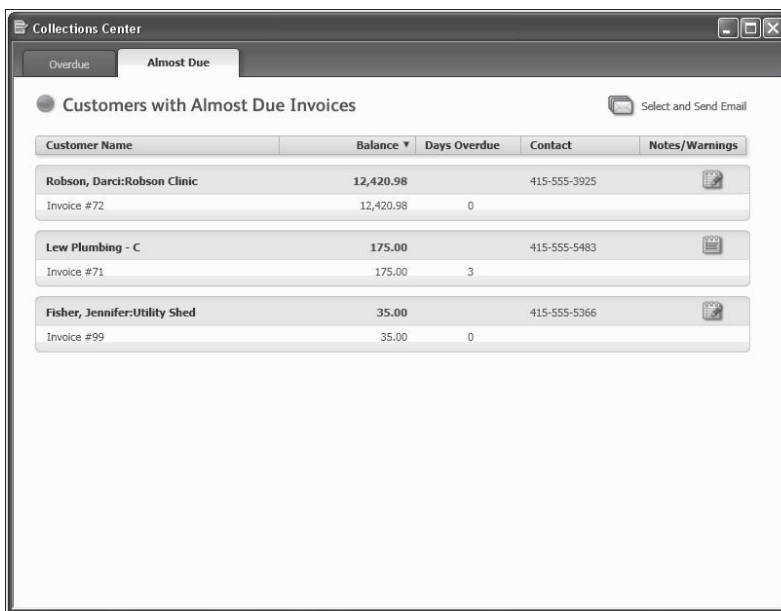
Notes

Using the Collections Center

The Collections Center helps you manage collecting payments from your customers. It lists all overdue and almost due invoices in a single place. You can send email reminders to one customer or many customers, and it tracks customer notes about your collection efforts.

To review overdue and nearly due payments for all customers:

1. Click the Customer Center icon.
2. Click Collections Center.
3. Notice that you have no Overdue invoices. Click the Almost Due tab.



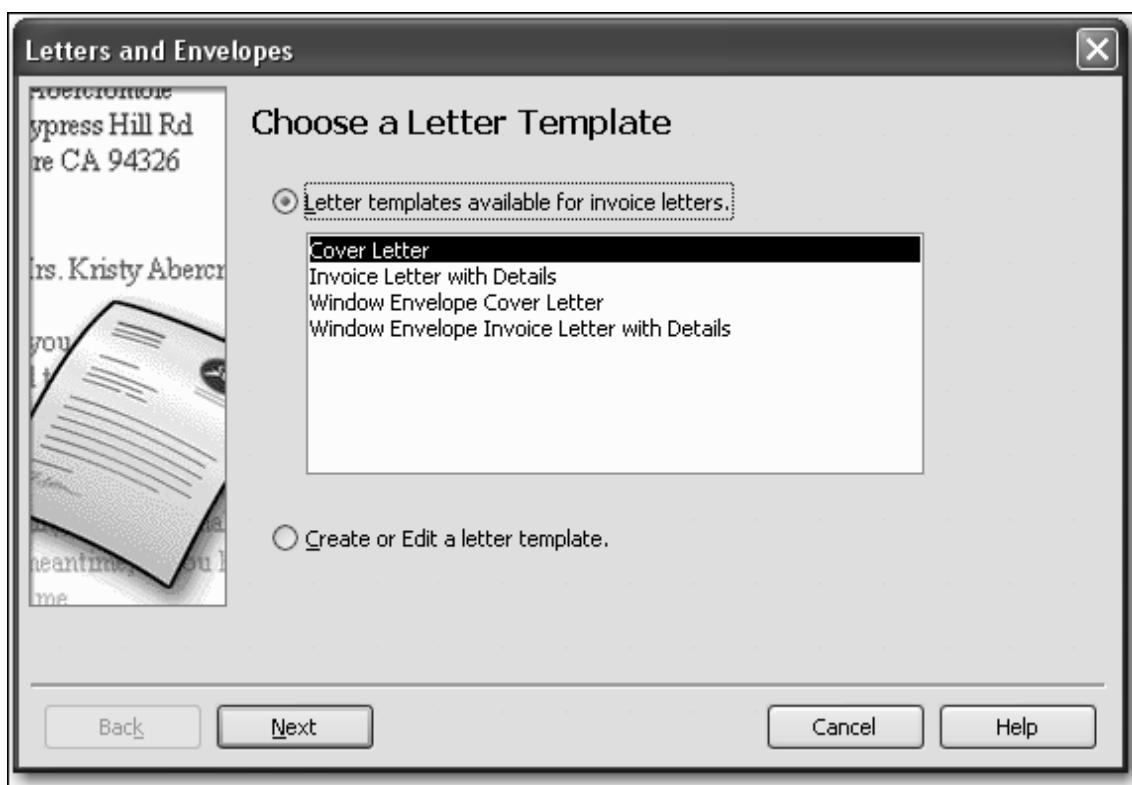
4. Close the Collections Center.

Notes

Creating Invoice Letters

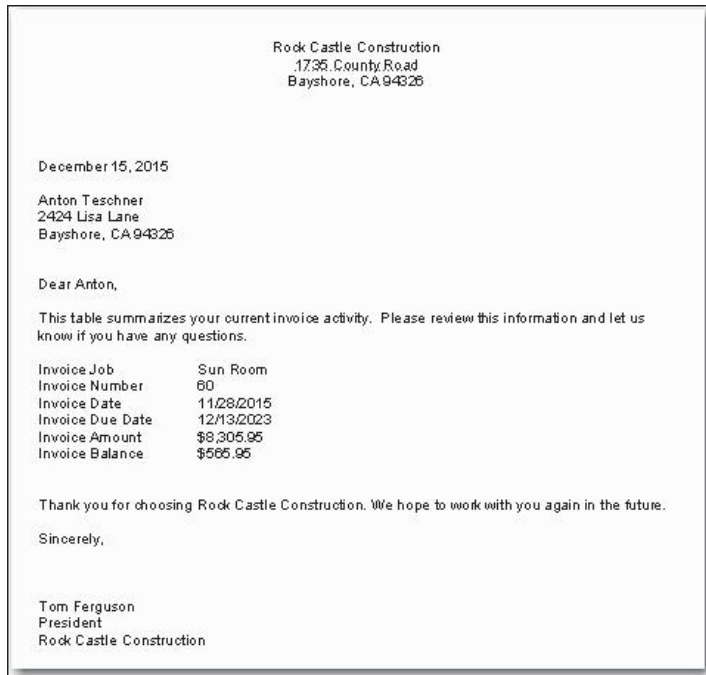
To create an invoice letter:

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**.
8. Type **Tom Ferguson** in the Name field and then type **President** in the Title field.
9. Click **Next**.

Notes



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

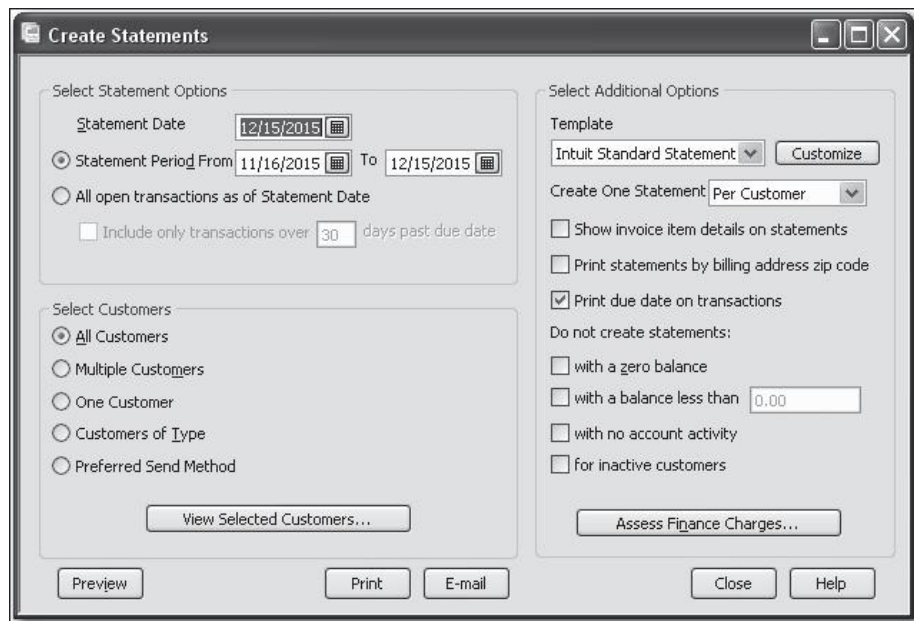
Generating Reminder Statements

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.

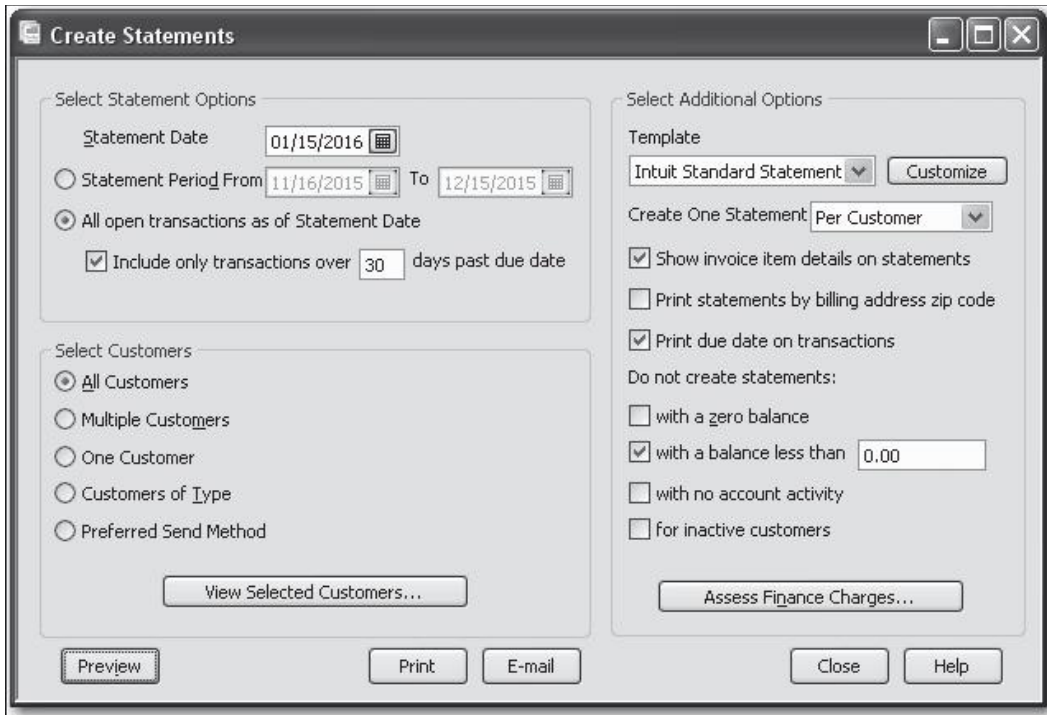
Reminder statements are different than other “forms” in QuickBooks such as invoices, sales receipts, or checks. Because QuickBooks already has all the information you need to create reminder statements, you don't have to fill them out. Instead, you review the information that will appear on each statement,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

To generate reminder statements:

1. Click Home to display the Home page, then click **Statements**.

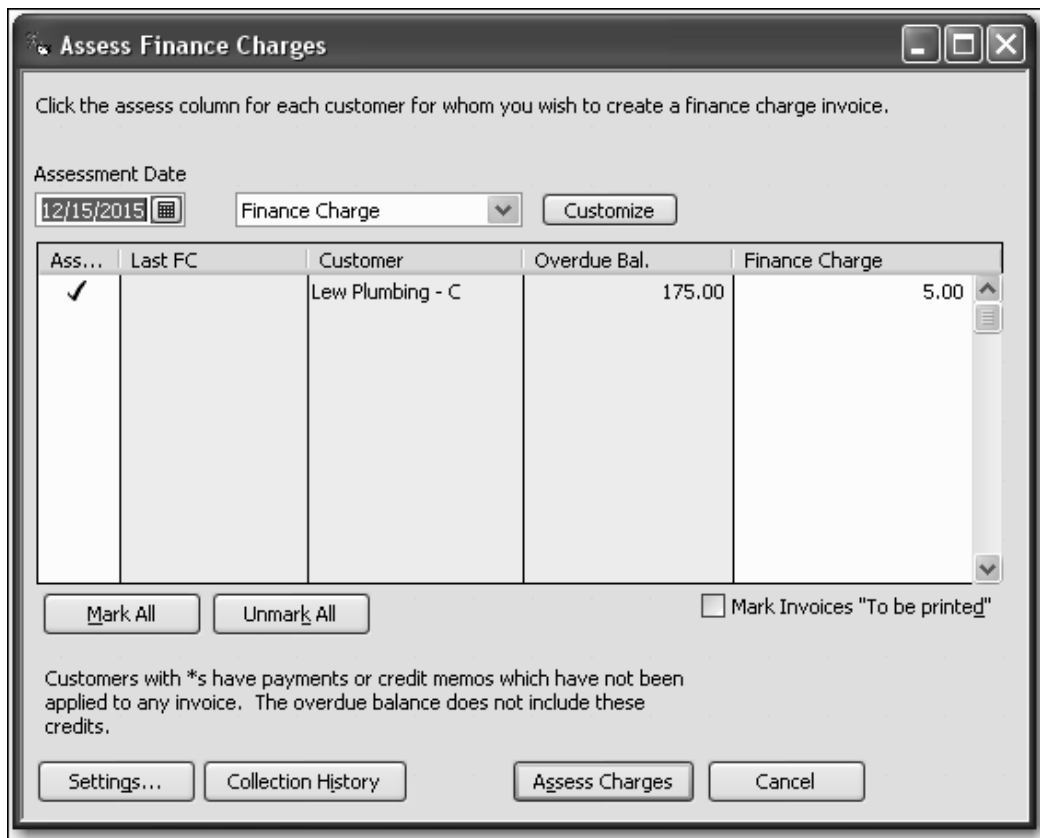


2. For Statement Date, enter **1/15/2016**.
3. In the Enter Statement Date and Type section of the window, select the **All open transactions as of Statement Date** option.
4. Click to select the **Include only transactions over** checkbox.
5. Leave the number of days past due field entry at 30.
6. In the Select Customers section, select **All Customers**.
7. In the Select Additional Options section, click to select the **Show invoice item details on statements** checkbox.
8. Click to select **Do not create statements with a balance less than 0.00**.



9. Click Assess Finance Charges.

10. Verify that there is a checkmark next to Lew Plumbing - C..



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

Notes

Processing Sales Orders

Sales orders are available in QuickBooks Premier and higher editions only. To proceed through this exercise, you must be using QuickBooks: Premier or a higher edition.

To create an invoice from a sales order:

1. Click **Report Center**, choose **Sales** and then select **Open Sales Orders by Item**.
2. Click **Display Report**.

Type	Date	Due Date	Num	Name	Qty	Invoiced	Backordered	Amount	Open Balance
Parts									
Lumber									
Decking									
Sales Order	11/29/2015	12/29/2023	2	Smallson, Fran	28	0	28	224.00	224.00
Total Decking					28	0	28	224.00	224.00
Rough									
Sales Order	11/29/2015	12/29/2023	2	Smallson, Fran	6	0	6	36.00	36.00
Total Rough					6	0	6	36.00	36.00
Total Lumber					34	0	34	260.00	260.00
Total Parts					34	0	34	260.00	260.00
TOTAL					34	0	34	260.00	260.00

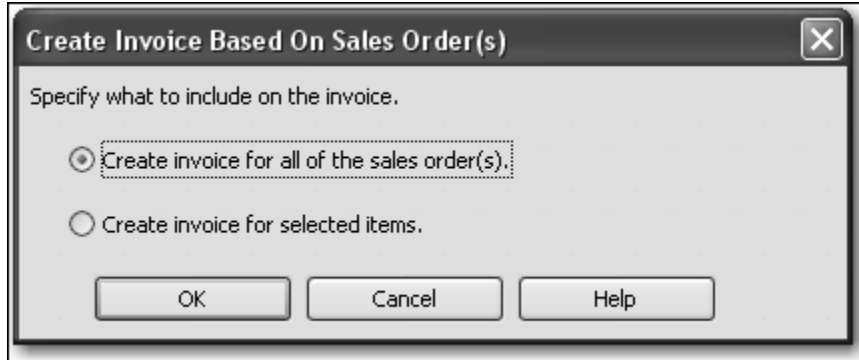
3. Double-click the sales order for Decking in the report window (Sales Order #2 for Fran Smallson)

Item	Description	Ordered	Rate	Amount	Tax	Invoiced	Clsd
Lumber:Decking	Decking lumber	28	8.00	224.00	Tax	0	
Lumber:Rough	Rough lumber	6	6.00	36.00	Tax	0	
				Tax (San Tomas) (7.75%)	20.15		
				Total	280.15		

Processing Sales Orders

4. Click the **Create Invoice** menu button on the toolbar at the top of the Create Sales Orders window.

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.



5. Leave the **Create invoice for all of the sales order(s)** option selected, and click **OK**.
6. Click **Save & Close** in the Create Invoices window.
7. 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:

1. On the Home page, click **Sales Orders**.

Item	Description	Ordered	Rate	Amount	Tax

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.

Quantity Available	Incoming
Quantity on Hand: 2	Quantity on Purchase Orders: 0
Quantity on Sales Orders: 0	Quantity on Pending Builds: 0
Quantity Reserved for Assemblies: 0	
Quantity Available: 2	

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.

Create Sales Orders

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

Template: Custom Sales Order

Date: 12/15/2015 S.O. No.: 3

Name / Address: Diarmuid Roche, 3219 Lisa Lane, Bayshore CA 94326

Item	Description	Ordered	Rate	Amount	Tax
Frames:Exterior ...	Standard exterior door frames	4	40.00	160.00	
				Tax: San Tomas (7.75%)	12.40
				Total	172.40

Customer Message: [] Tax Code: Tax

Memo: []

Buttons: Save & Close, Save & New, Clear

9. In the Create Sales Orders window, click the arrow next to the **Create Invoice** menu button on the toolbar and choose **Invoice**.

This 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.

10. Click **Create invoice for selected items** and click **OK**.

Specify Invoice Quantities for Items on Sales Order(s)

Invoice for: Roche, Diarmuid:Room addition

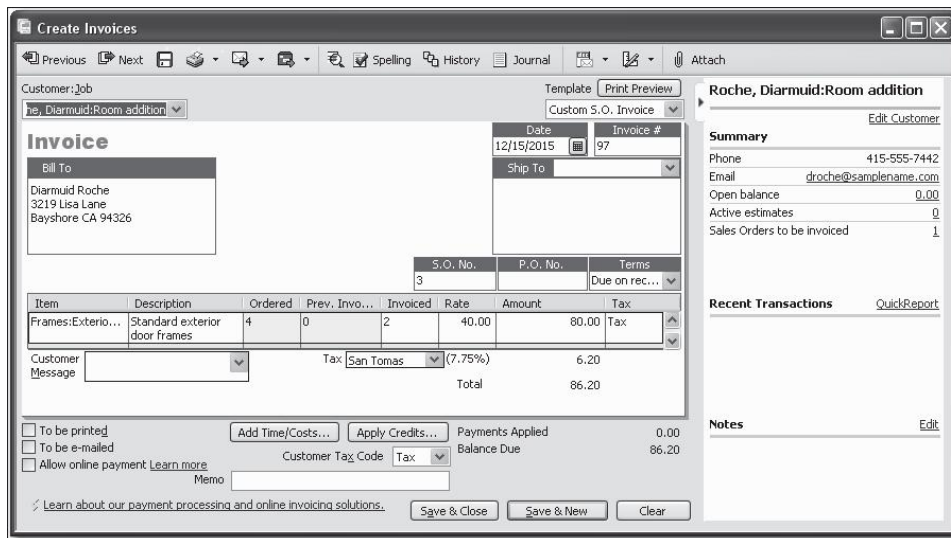
For each item below, specify the quantity you will ship on this invoice.

Show quantity available instead of quantity on hand

Item	Date	S.O. No.	On Hand	Ordered	Prev. In...	To Invoice
Frames:Exterior Frame	12/15/2015	3	2	4	0	2

Buttons: OK, Cancel, Help

- Make sure 2 appears in the To Invoice column and click **OK** to invoice for the two exterior frames you have in inventory.



- Click **Save & Close**.

QuickBooks creates an invoice for the two door frames in stock and puts the other two on backorder.

Type	Date	Due Date	Item	Name	Qty	Invoiced	Backordered	Amount	Open Balance
Inventory									
Frames									
Exterior Frame									
Sales Order	12/15/2015	12/15/2015	3	Roche, DiarmuidR...	4	2	2	160.00	80.00
Total Exterior Frame					4	2	2	160.00	80.00
Total Frames					4	2	2	160.00	80.00
Total Inventory					4	2	2	160.00	80.00
TOTAL					4	2	2	160.00	80.00

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.

Create Item Receipts

Previous Next Save Find History Journal Attach

Bill Credit Bill Received

Bill

Vendor: Perry Windows & Doors Date: 12/15/2015

Item Receipt Only

Ref. No. Total: 200.00

Memo: Received items (bill to follow)

Expenses	\$0.00	Items	\$200.00	Item	Description	Qty	Cost	Amount	Customer:Job	Bill...
				Frames:E...	Standard exterior door frames	10	20.00	200.00		

Select PO Receive All Show PO Time

Clear Splits Recalculate Save & Close Save & New Clear

Perry Windows & Doors [Edit Vendor](#)

Summary

Phone: 415-555-5933
Open balance: 9,985.00
POs to be received: 2

Recent Transactions [QuickReport](#)

Date	Description	Amount
12/15/15	Bill Pmt -Check	6,935.75
12/11/15	Bill	130.00
12/04/15	Bill	2,400.00
12/02/15	Bill	50.00
11/28/15	Item Receipt	3,280.00

Notes [Edit](#)

7. Click **Save & Close**.

Notes

4. Click **Create invoice for selected items** and click **OK**.

Specify Invoice Quantities for Items on Sales Order(s)

Invoice for: **Roche, Diarmuid:Room addition**

For each item below, specify the quantity you will ship on this invoice.

Show quantity available instead of quantity on hand

Item	Date	S.O. No.	On Hand	Ordered	Prev. In...	To Invoice
Frames:Exterior Frame	12/15/2015	3	10	4	2	2

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.

Create Invoices

Customer: Job
Roche, Diarmuid:Room addition

Template: Custom S.O. Invoice

Date: 12/15/2015 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
Frames:Exterior...	Standard exterior door frames	4	2	2	40.00	80.00	Tax
						Tax	San Tomas (7.75%) 6.20
Total						86.20	

Customer Message: [Empty]

Customer Tax Code: Tax

Payments Applied: 0.00
Balance Due: 86.20

To be printed
 To be e-mailed
 Allow online payment [Learn more](#)

Memo: [Empty]

[Learn about our payment processing and online invoicing solutions.](#)

Save & Close Save & New Clear

Roche, Diarmuid:Room addition

[Edit Customer](#)

Summary

Phone: 415-555-7442
Email: droche@samplename.com
Open balance: 86.20
Active estimates: 0
Sales Orders to be invoiced: 1

Recent Transactions [QuickReport](#)

12/15/15 Invoice 86.20

Notes [Edit](#)

6. Click **Save & Close** to save the invoice and close the Create Invoices window.
7. On the Home page, click **Sales Orders**.

- Click the **Previous** button to display Diarmuid's sales order.
Notice the sales order now indicates that it has been invoiced in full.

Create Sales Orders

Customer: Job
Diarmuid:Room addition

Template: Print Preview
Custom Sales Order

Sales Order

Name / Address
Diarmuid Roche
3219 Lisa Lane
Bayshore CA 94326

Date: 12/15/2015
S.O. No.: 3

Ship To: [dropdown]

P.O. No.: [dropdown]

Item	Description	Ordered	Rate	Amount	Tax	Invoiced	Clsd
Frames:Exterior F...	Standard exterior door frames	4	40.00	160.00	Tax	4	✓
Customer Message			Tax: San Tomas (7.75%)	12.40			
			Total	172.40			

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

Memo: [text area]

Save & Close Save & New Revert

- Close the Create Sales Order window.

Notes

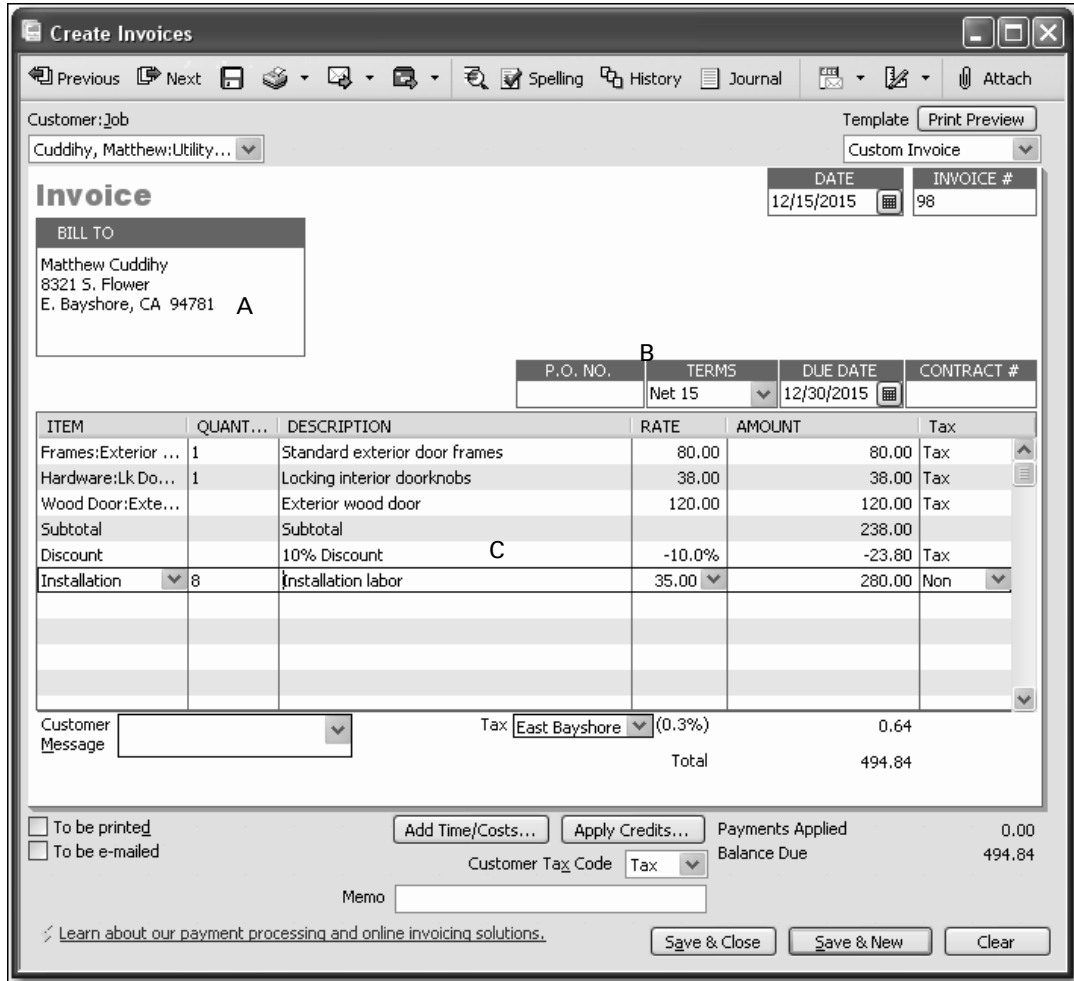
Lesson 6: Entering Sales Information

Review questions

1. When receiving payment at the time of sale, you create a _____ in QuickBooks.
2. When customers are returning items, you record the return on a _____.
3. In QuickBooks, you can record payments made using which of the following?
 - a Cash
 - b Check
 - c Credit card
 - d All of the above
4. Which item type should you use when recording a partial payment from a customer on an invoice?
 - a Subtotal
 - b Payment
 - c Service
 - d Non-inventory Part
5. True or false: QuickBooks lets you save sales forms as PDF files.
 - a True
 - b False
6. If you regularly invoice a customer for similar items or services, you can _____ the invoice to save time.

7. From which list (or lists) does QuickBooks get the information for A, B, and C in the graphic below?

- a _____
- b _____
- c _____



8. List the item types used in the line item area of the invoice above.

9. On which of the following can you **not** use price levels?
- a** Invoices
 - b** Sales receipts
 - c** Credit memos
 - d** Purchase orders
10. QuickBooks: Pro allows you to assign price levels to which of the following?
- a** Specific customers
 - b** Individual line items on sales forms
 - c** Both a and b
 - d** None of the above
11. If a wood door costs \$120.00 and you set the rounding option to 1.00 minus .11, what price would appear on an invoice for the wood door?
- a** \$120.11
 - b** \$120.89
 - c** \$119.89
 - d** \$119.11
12. True or false: Price levels affect Discount items.
- a** True
 - b** False
13. Which of the two methods described in this lesson for providing customers with information about overdue invoices allows you to assess finance charges?
- a** _____
 - b** _____

Review activities

1. Create an invoice for Rock Castle Construction that uses the new Repairs:Plumbing line item. Create the invoice for a new customer by adding information to the Customer list “on the fly.”
2. Filling out a sales receipt is similar to filling out an invoice form. Create a sales receipt for a customer of Rock Castle Construction, and select the Undeposited Funds option. (You need to select this option only if the preference to use that account as the default deposit to account is not set.) After you create the sales receipt, open the Undeposited Funds account register to see the transaction QuickBooks created automatically.
3. Create a new price level for Rock Castle Construction for their January sales event. You want all the prices to be 10% off and rounded to the nearest \$.95. Then, create an invoice and add some items. Apply the January Sales Event price level and see the affect on the price listed. How would you change the price level so that all prices are rounded to the nearest \$.49?

Answers to review questions

1. When receiving payment at the time of sale, you create a *sales receipt* in QuickBooks.
2. When customers are returning items, you record the return on a *credit memo*.
3. In QuickBooks, you can record payments made using which of the following?
 - a Cash
 - b Check
 - c Credit card
 - ✓ d *All of the above*
4. Which item type should you use when recording a partial payment from a customer on an invoice?
 - a Subtotal
 - ✓ b *Payment*
 - c Service
 - d Non-inventory Part
5. True or false: QuickBooks lets you save sales forms as PDF files.
 - ✓ a *True*
 - b False
6. If you regularly invoice a customer for similar items or services, you can *memorize* the invoice to save time.

9. On which of the following can you not use price levels?
- a Invoices
 - b Sales receipts
 - c Credit memos
 - ✓ d *Purchase orders*
10. QuickBooks: Pro allows you to assign price levels to which of the following?
- a Specific customers
 - b Individual line items on sales forms
 - ✓ c *Both a and b*
 - d None of the above
11. If a wood door costs \$120.00 and you set the rounding option to 1.00 minus .11, what price would appear on an invoice for the wood door?
- a \$120.11
 - b \$120.89
 - ✓ c *\$119.89*
 - d \$119.11
12. True or false: Price levels affect Discount items.
- a True
 - ✓ b *False (Price levels only affect Service, Inventory, Non-Inventory Part, and Inventory Assembly items)*
13. Which of the two methods described in this lesson for providing customers with information about overdue invoices allows you to assess finance charges?
- a *Invoice letters*
 - b *Reminder statements*