Wegner CPAs

QuickBooks Online Business User Group

Presented by Sabrina Stout, CNAP

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Sabrina brings 6 years of QuickBooks experience and for-profit knowledge to Wegner's CPAs. She spent most of her career preparing taxes for a variety of entity structures and various accounting duties such as payroll, financial presentation, and consulting services. Most notable charitable service includes various committees for the WICPA (Wisconsin Institute of CPAs).

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Torture the data, and it will confess to anything

Ronald Chase

Discussion Topics

1. Classes
2. Locations
3. Job Tracking
4. Projects
    1. How to
        1. Create, use, and limitations
        2. Most common uses
    2. Reports

Classes versus Locations
What's the difference?

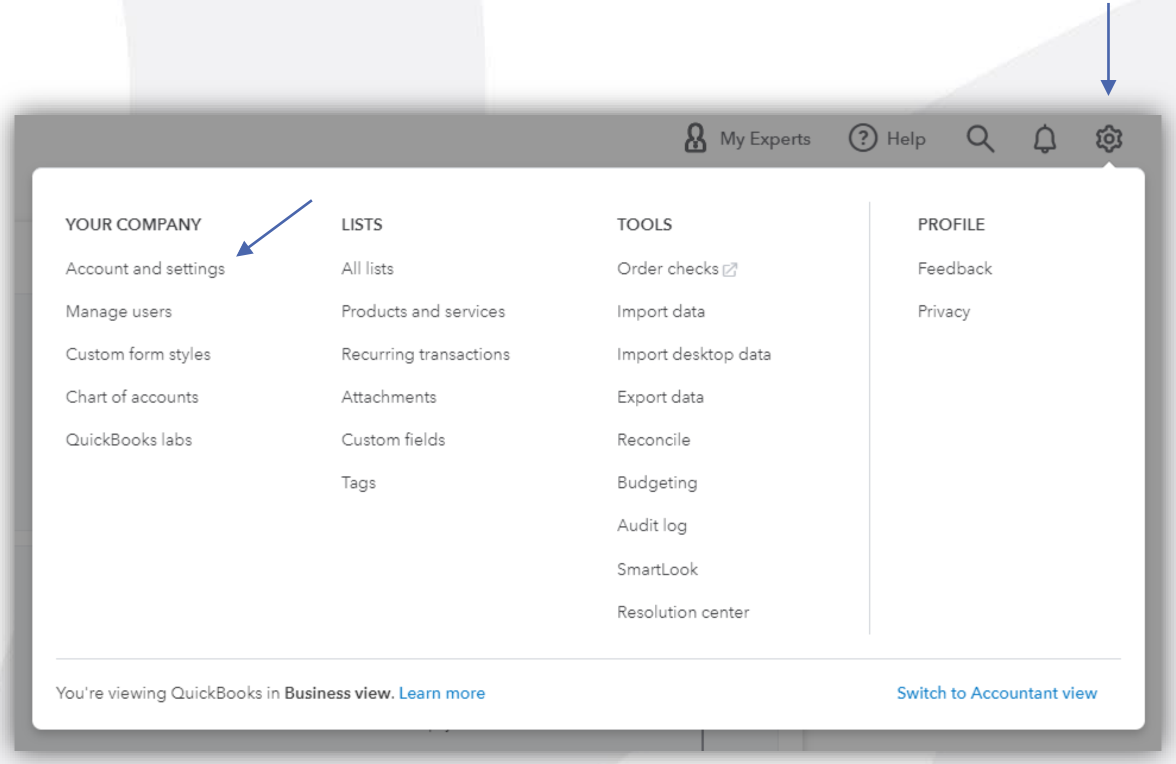
Class tracking and locations are very similar inside QuickBooks. In fact, you will find both features under the same "Categories" tab inside settings.

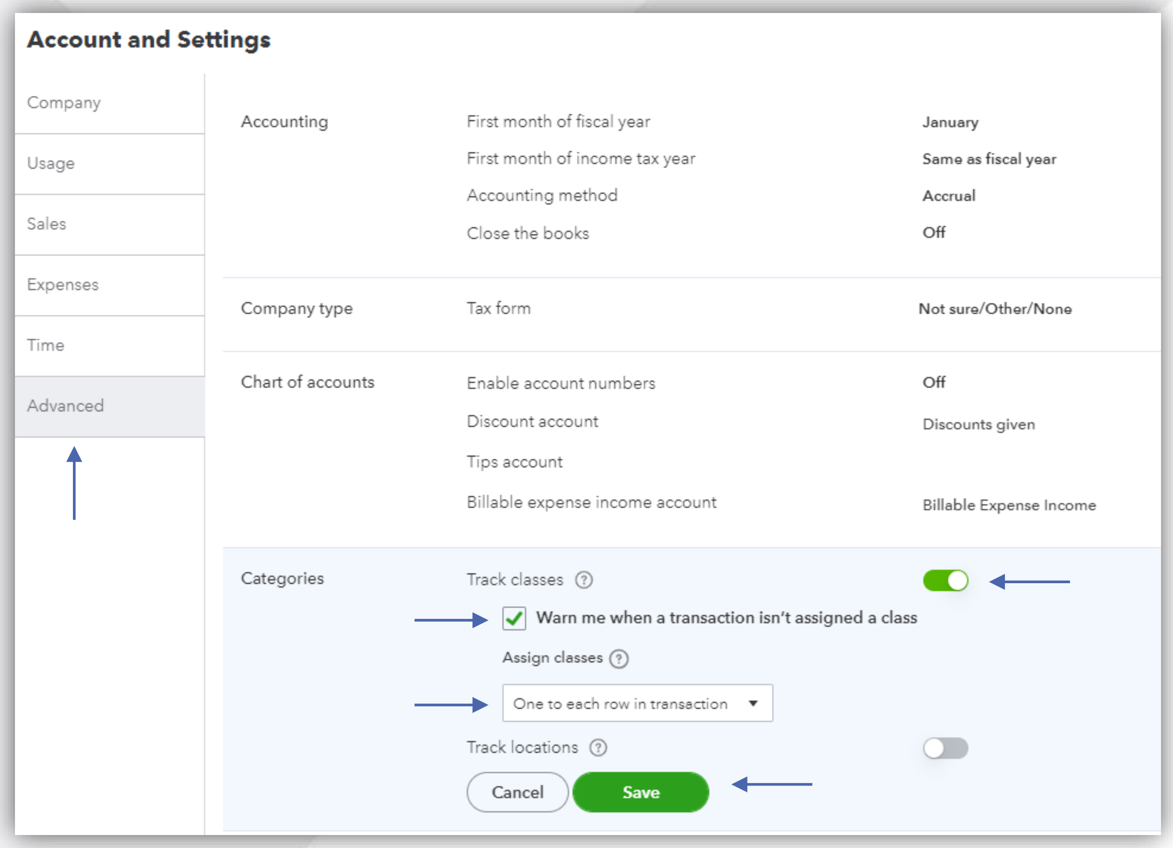
The main difference between the two is that you can select a different class per line item. However, only one location can be selected for an entire invoice, expense, or other transaction.

Locations and classes can be used in tandem. For instance, if you have multiple retail stores, you could assign each store as a location, and each department as a class.

Classes

Adds a Class field on forms so you can assign transactions to different segments like departments, locations, and product lines.





Consider these two options when enabling classes

Class tracking for transactions

When you turn on classes tracking, you have a few options when assigning a class to a transaction:

One to entire transaction: Assign one class to an entire invoice, receipt, or any other customer transaction. This saves you time if you don't need to track each product you sell by class.

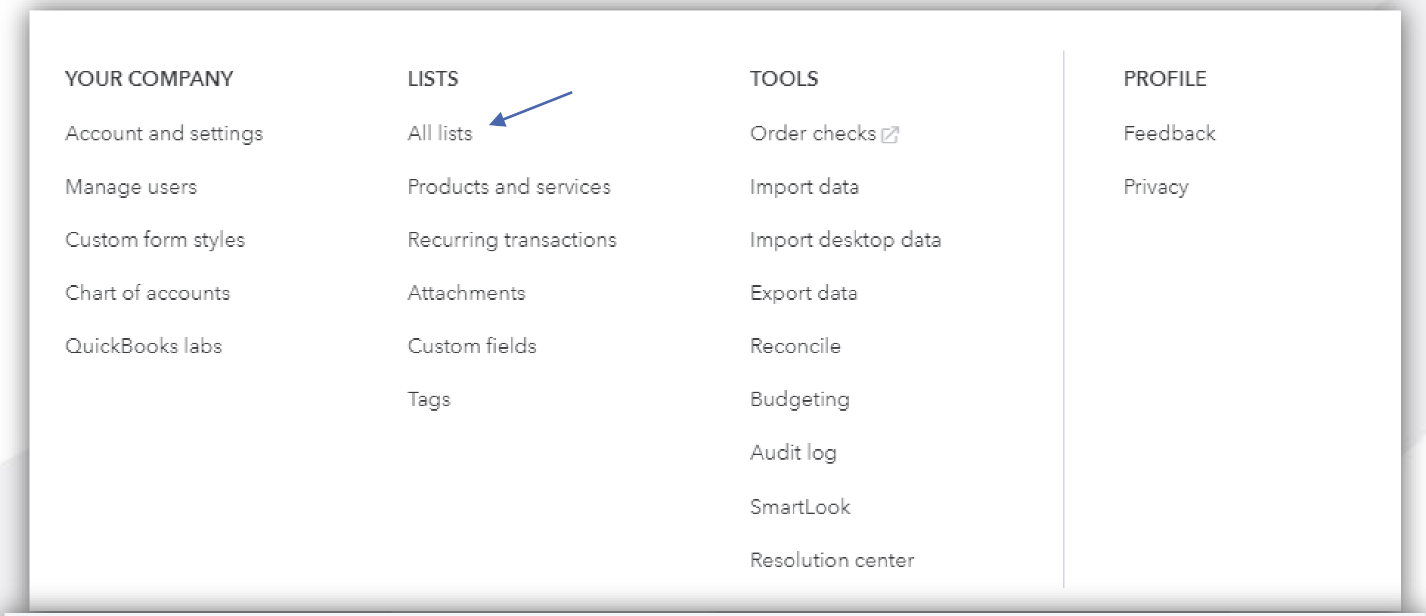
One to each row in transaction: Assign one class by line item on an invoice, receipt, or any other customer transaction. This gives you more in-depth reporting by class at the product and service level.

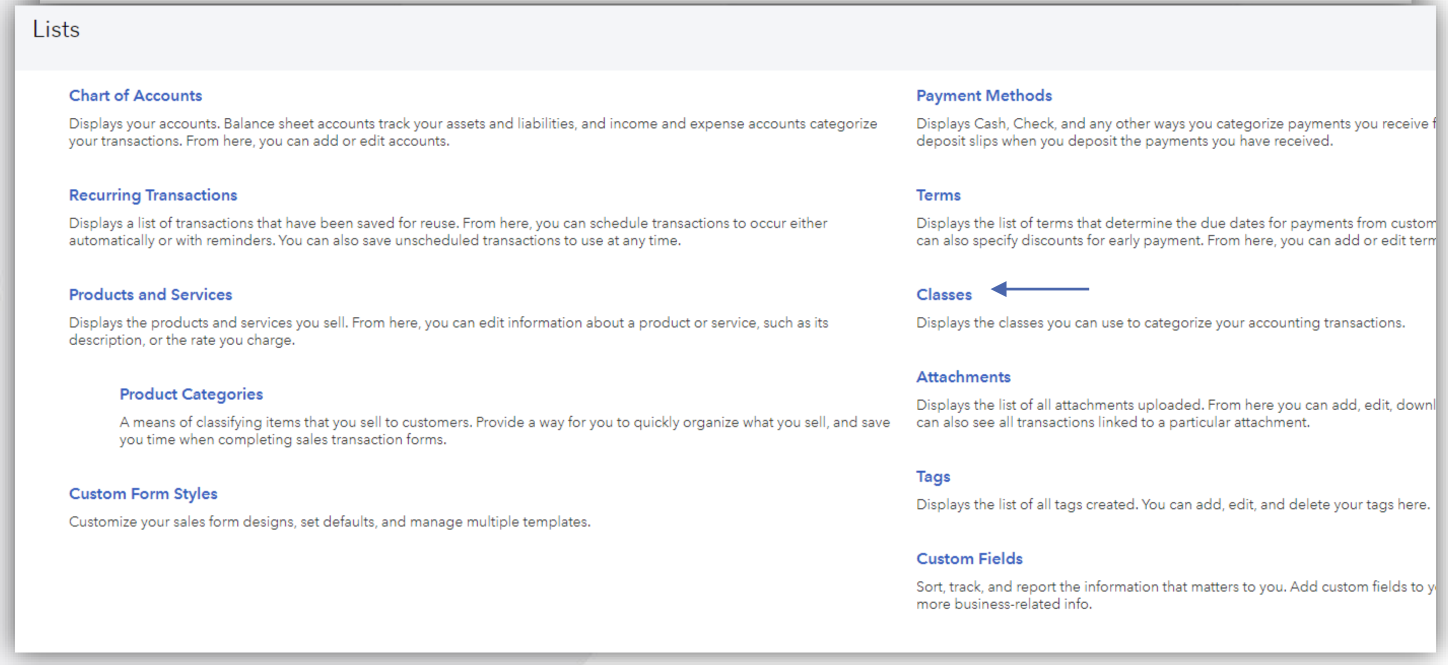
Add a class to a transaction

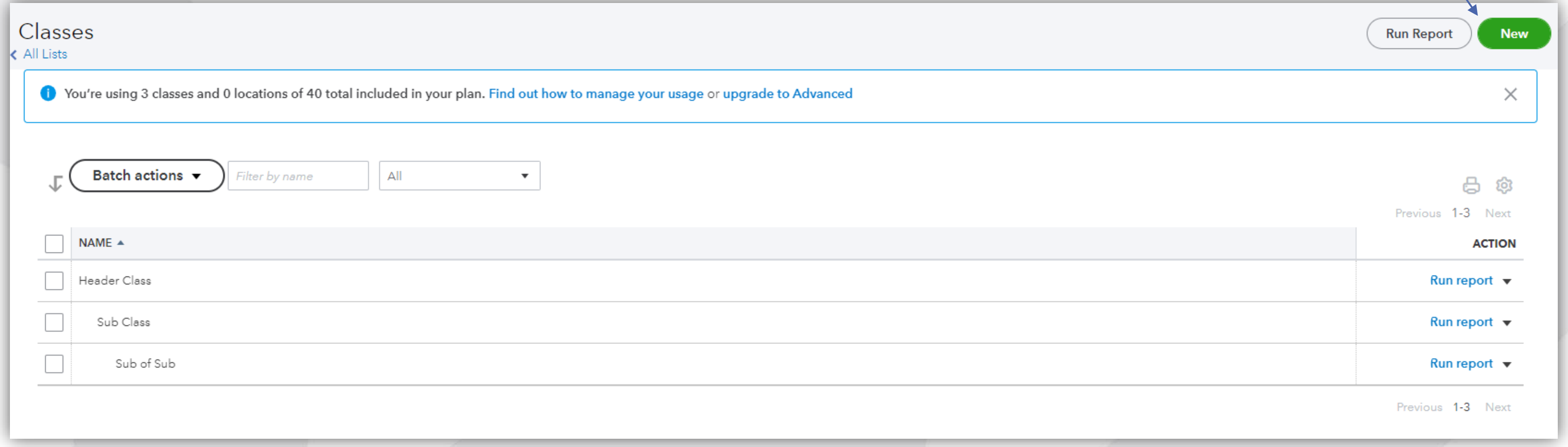
Here's how to assign a class for a row or for the whole transaction:

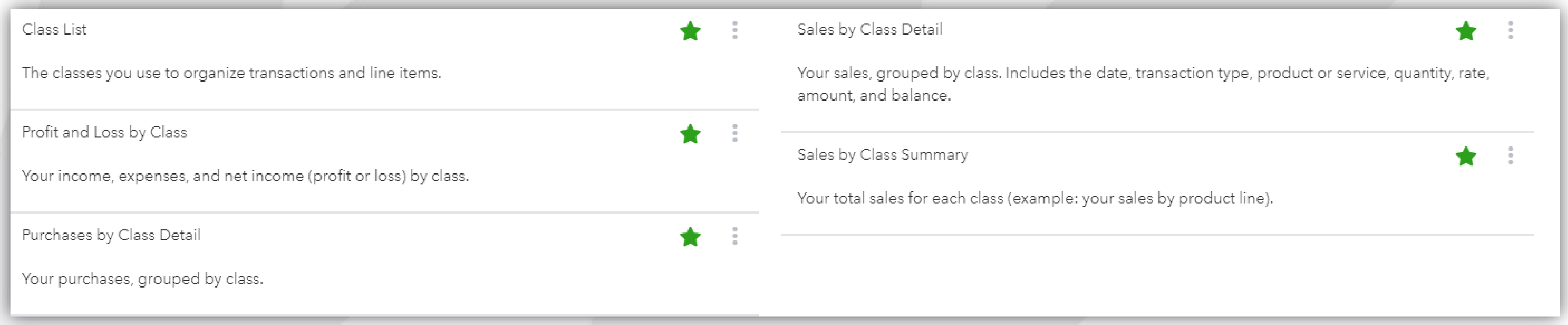
1. Select **+ New**.
2. Select the type of transaction you want to record.
3. Add the details of the transaction.
4. Assign a class:
    - To assign one to entire invoice or receipt, select the **Class ▼** drop-down at the top (if you set **One to entire transaction**).
    - To assign one to each item (or row), add the class in the class column (if you set **One to each row in transaction**).
5. Save your transaction.

Locate classes by clicking - Gear icon > All lists > Classes






Classes
All Lists
Run Report
New
You're using 3 classes and 0 locations of 40 total included in your plan. Find out how to manage your usage or upgrade to Advanced
Batch actions
Filter by name
All
Previous 1-3 Next
NAME
ACTION
Header Class
Run report
Sub Class
Run report
Sub of Sub
Run report
Previous 1-3 Next


Class List
The classes you use to organize transactions and line items.
Profit and Loss by Class
Your income, expenses, and net income (profit or loss) by class.
Purchases by Class Detail
Your purchases, grouped by class.
Sales by Class Detail
Your sales, grouped by class. Includes the date, transaction type, product or service, quantity, rate, amount, and balance.
Sales by Class Summary
Your total sales for each class (example: your sales by product line).

QuickBooks Online Essentials

- **Billable users**: 3 users.
- **Non-billable users**: 2 accountant firm users. Unlimited time tracking only users. Reports-only users are not available for this subscription.
- **Classes and locations (combined)**: Not available for this subscription.
- **Chart of accounts**: Maximum of 250 accounts.
- **Tag groups**: Maximum of 40 groups.
- **QuickBooks Commerce Accounting**: Maximum of 3 sales channels connected

QuickBooks Online Plus

- **Billable users**: 5 users.
- **Non-billable users**: 2 accountant firm users. Unlimited time tracking-only and reports-only users.
- **Classes and locations (combined)**: 40 combined classes and locations.
- **Chart of accounts**: Maximum of 250 accounts.
- **Tag groups**: Maximum of 40 groups.
- **QuickBooks Commerce Accounting**: unlimited sales channels can be connected

QuickBooks Online Advanced

- **Billable users**: 25 users
- **Non-billable users**: 3 accountant firm users. Unlimited time tracking-only, and reports-only users.
- **Classes and locations**: Unlimited classes and locations.
- **Chart of accounts**: Unlimited accounts
- **Tag groups**: Unlimited groups
- **QuickBooks Commerce Accounting**: unlimited sales channels can be connected

Classes allow you to see income and expenses for different revenue streams in a business.

They work best for creating a Profit & Loss (Income Statement) report with comparison columns.

Craig's Design and Landscaping Services

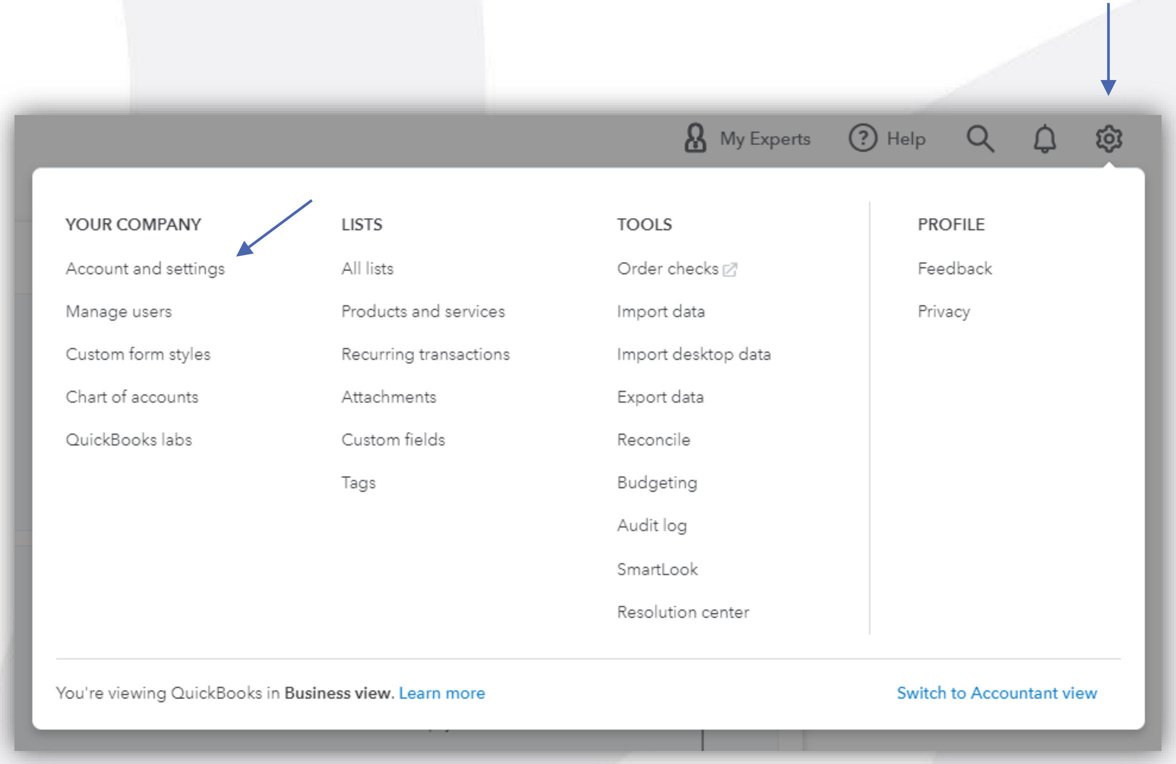
Profit and Loss by Class

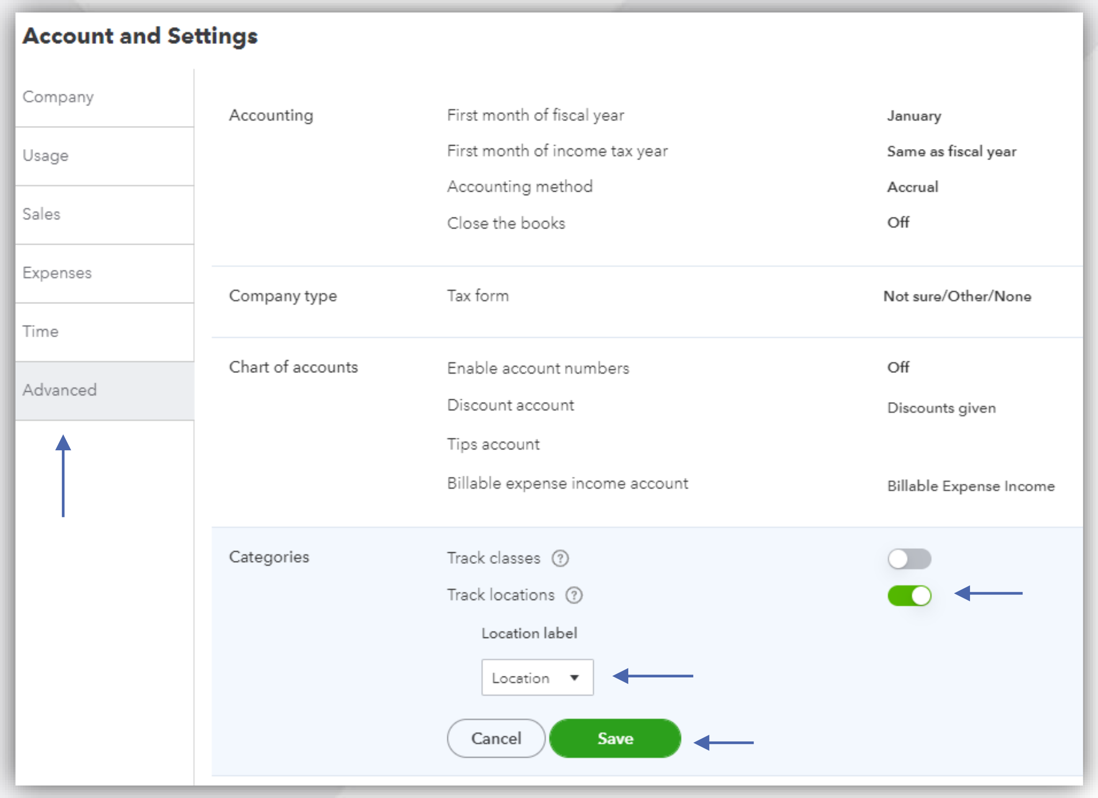
All Dates

	HOWARD'S BAKERY	PARK ST	SHOP ON MAIN ST	WOMEN'S PLUS	TOTAL
Income					
Design income	232.00	1,200.00	5,000.00		$6,432.00
Uncategorized Income			255.00		$255.00
Total Income	**$232.00**	**$1,200.00**	**$5,255.00**	**$0.00**	**$6,687.00**
GROSS PROFIT	**$232.00**	**$1,200.00**	**$5,255.00**	**$0.00**	**$6,687.00**
Expenses					
Advertising				750.00	$750.00
Disposal Fees		50.00			$50.00
Uncategorized Expense	24.38		2,000.00		$2,024.38
Total Expenses	**$24.38**	**$50.00**	**$2,000.00**	**$750.00**	**$2,824.38**
NET OPERATING INCOME	$207.62	$1,150.00	$3,255.00	$ -750.00	$3,862.62

Locations

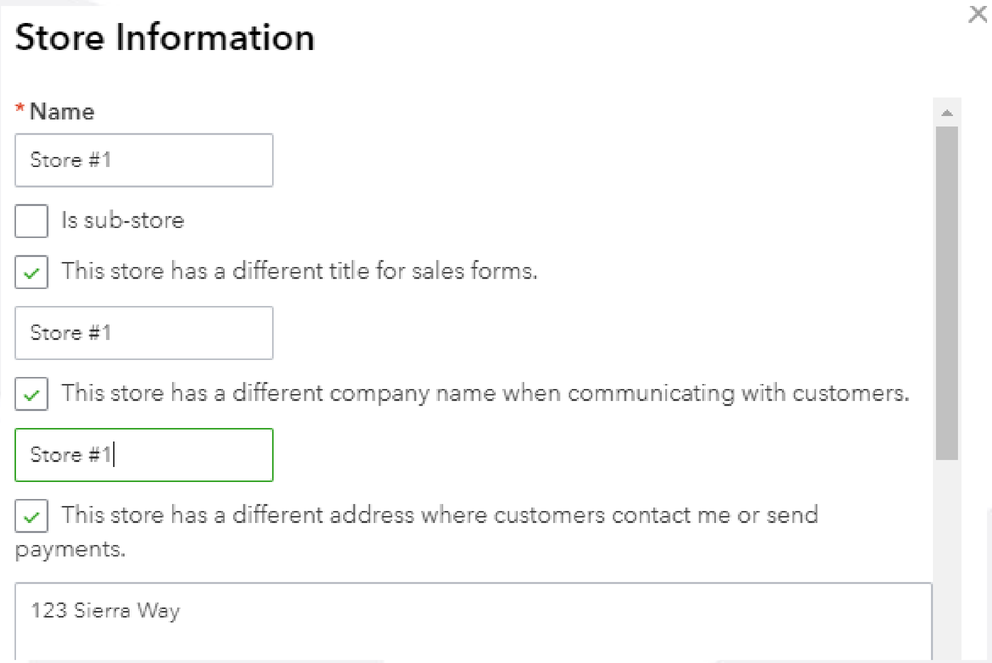
Adds a Location field on forms so you can assign transactions to different locations like stores, sales regions, and counties

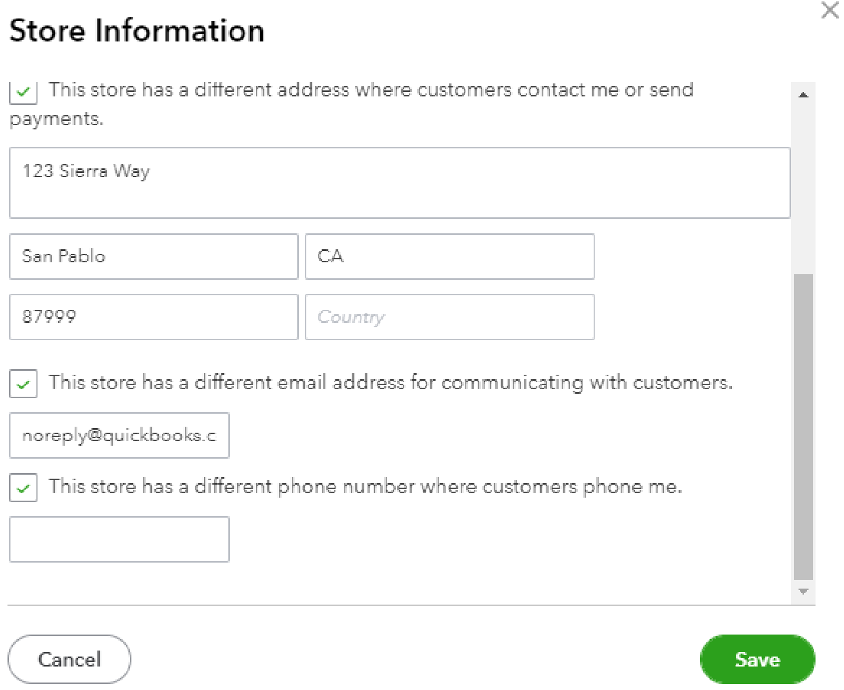




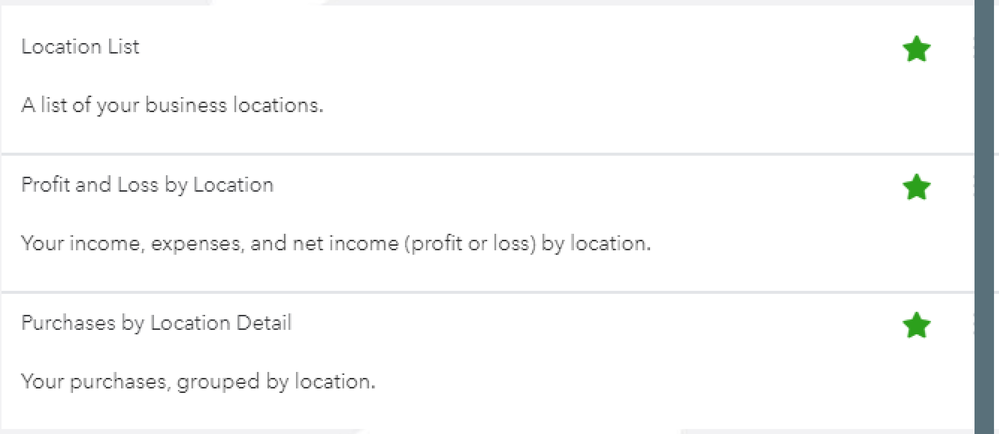
There are various options other than the word “location” when enabling

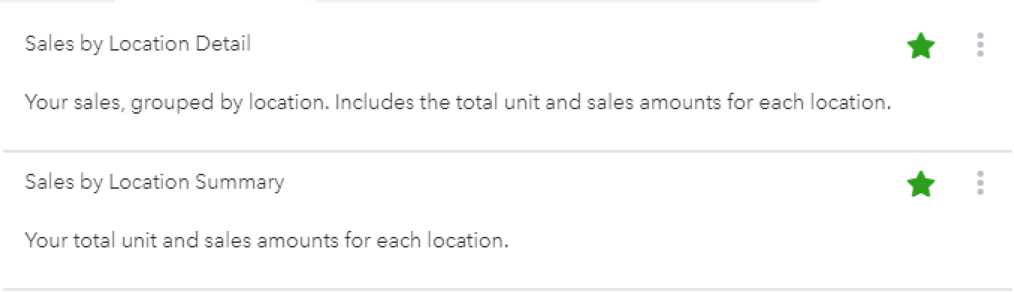
- Business
- Department
- Division
- Location
- Property
- Store
- Territory





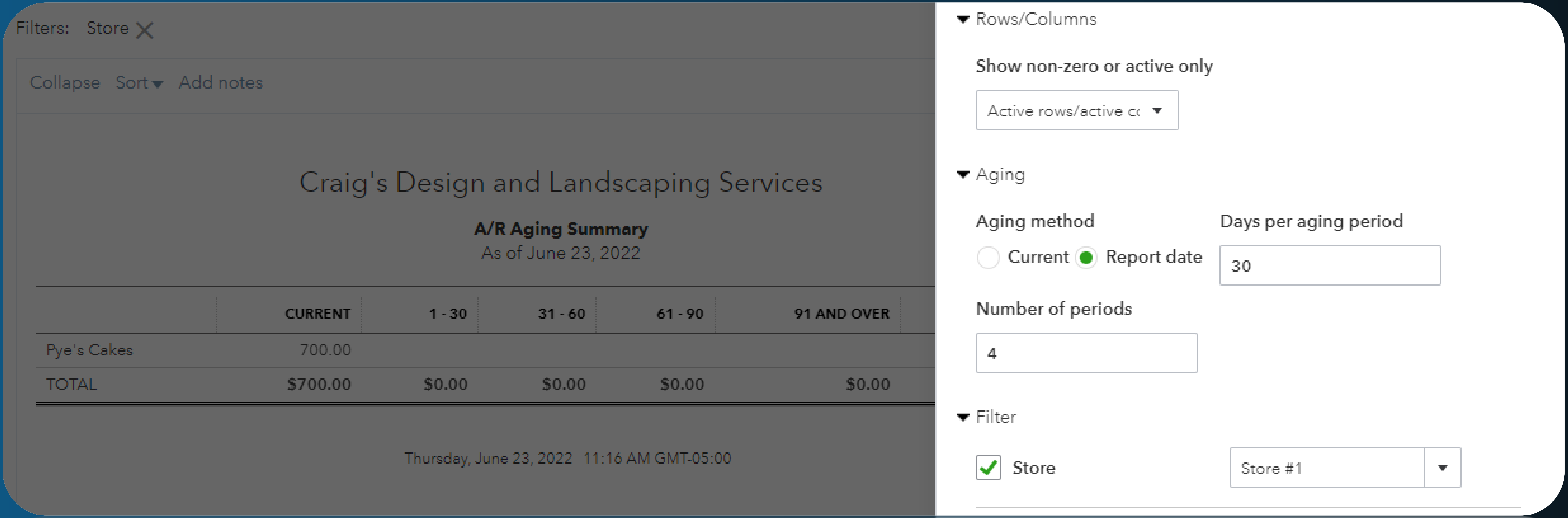
Locate locations the same way you would find classes





Locations, also found in Online Plus and Advanced, allow you to examine the financial resources behind transactions.

They work well as columns on balance sheet reports.


Filters: Store
Collapse Sort Add notes
Craig's Design and Landscaping Services
A/R Aging Summary
As of June 23, 2022
CURRENT 1 - 30 31 - 60 61 - 90 91 AND OVER
Pye's Cakes 700.00
TOTAL $700.00 $0.00 $0.00 $0.00 $0.00
Thursday, June 23, 2022 11:16 AM GMT-05:00
Rows/Columns
Show non-zero or active only
Active rows/active c
Aging
Aging method
Current Report date
Days per aging period
30
Number of periods
4
Filter
Store
Store #1

Craig's Design and Landscaping Services

A/R Aging Detail

As of June 23, 2022

DATE	TRANSACTION TYPE	NUM	CUSTOMER	STORE	DUE DATE	AMOUNT	OPEN BALANCE
Current							
06/23/2022	Invoice	1041	Pye's Cakes	Store #1	07/23/2022	700.00	700.00
Total for Current						$700.00	$700.00
TOTAL						$700.00	$700.00

What are the drawbacks?

Most transactions do not offer the location feature and the ones that do only allow for one location.

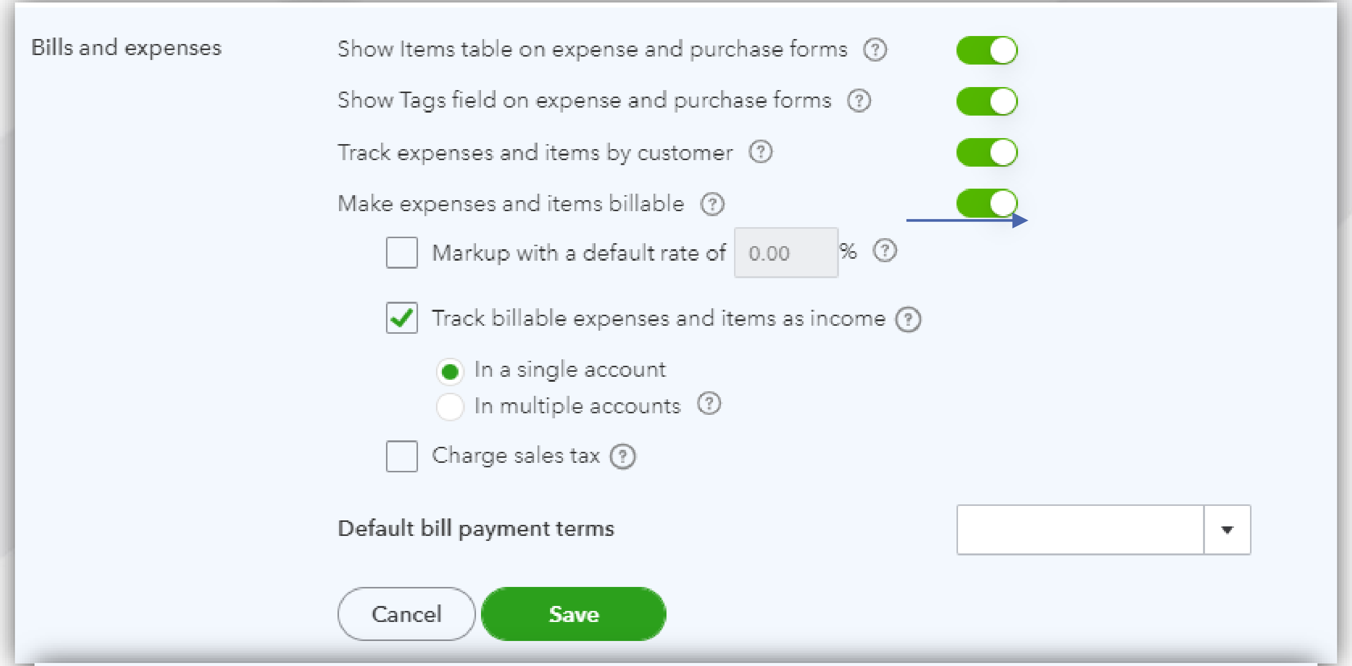
They are not useful for expenses across multiple sites and are also limited to 40 within the Plus subscription.

Job Tracking (Costing) and Projects

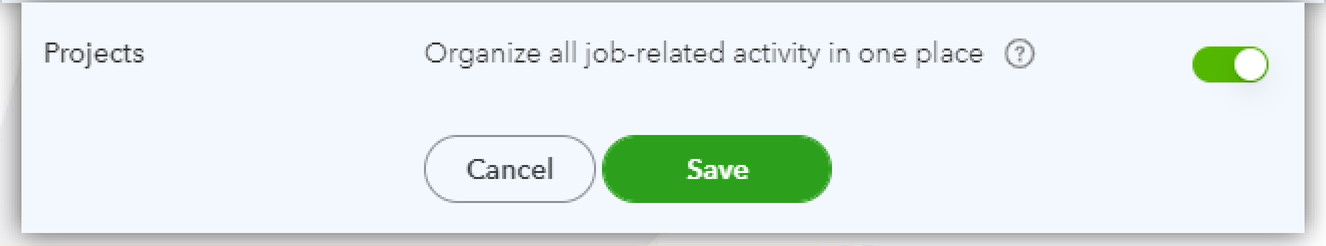
Connecting a project/customer to the related costs

Make sure track expenses and items is turned on

Found within account and settings Expense tab



Turn on Projects within the Advanced tab



Live Examples

Job Costing and Project Takeaways

The best way to use Projects with employees, is when the payroll feature is utilized within QuickBooks.

If you use a third-party provider, it is possible to calculate an hourly cost rate however it is a manual process. This is time consuming and not usually a true hourly cost rate.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