

QUICKBOOKS **ONLINE**

4

Working with Vendors



Vendors are the people and businesses you buy products and services from. In this chapter, you will build a Vendors List. You will prepare vendor-related purchase and expense transactions, such as creating an Accounts Payable bill and recording a credit card and debit card purchase. You will also create vendor Accounts Payable and purchase-related management reports to assist with purchase history and unpaid bills.

LEARNING OBJECTIVES

- Set up vendors
- Edit settings and preferences
- Create expense transactions
- Make payments to vendors
- Create vendor reports

NOTE! QuickBooks Online is updated frequently, so don't be alarmed if your screen doesn't exactly match your learning solution. The processes shown should generally be the same.

Project: Craig's Design and Landscaping Services

Craig Carlson purchases supplies from a number of businesses. He would like to set up all these businesses as vendors in QuickBooks Online. Craig pays for his purchases in several different ways. He has an account with some of his vendors so he can make purchases and then receive a bill to be paid later. Craig also uses his credit and debit cards for many purchases.

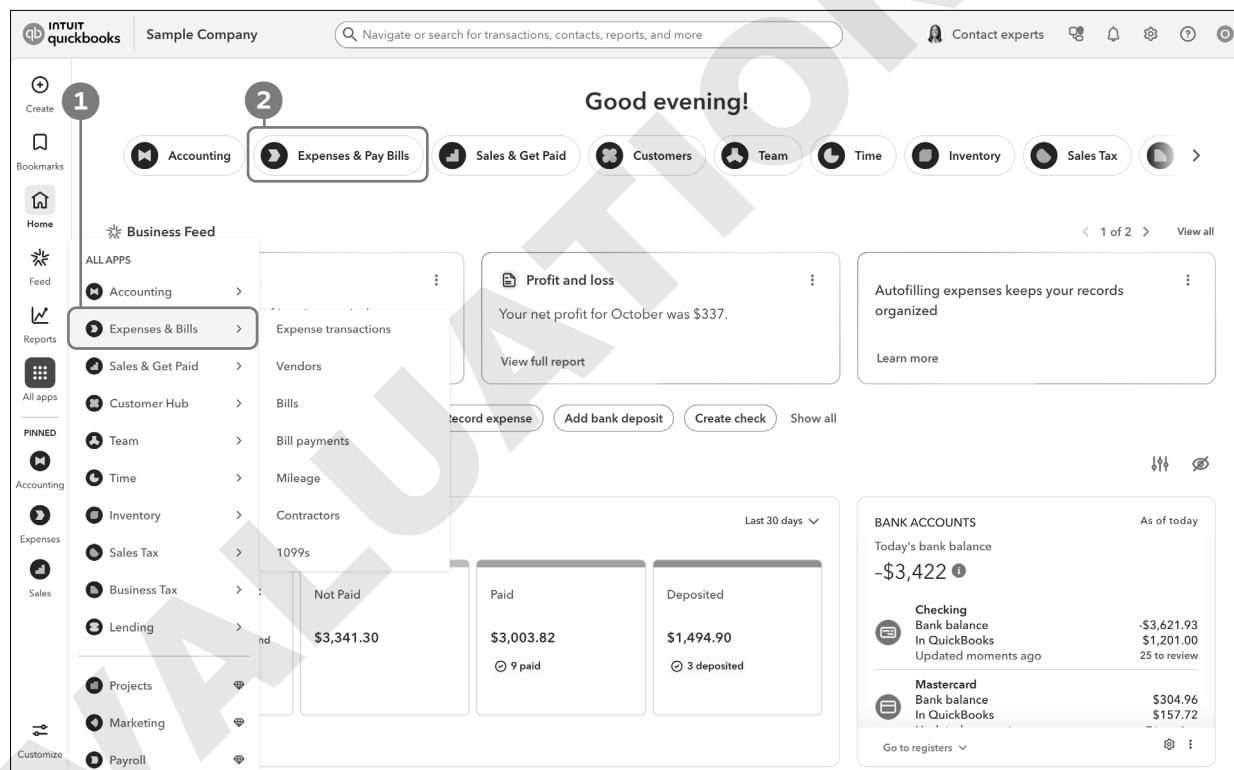
TIP! For critical edits to this course based on software updates and more, access the Update Report from your course or the QuickBooks Online Update Reports page (lablearning.com/qbo-updates) at the start of every chapter.

The Expenses & Bills App

This app provides links to information about all of your vendors and their related transactions. You can also perform vendor-related tasks, such as searching for vendors and adding and importing vendors.

It includes seven tabs that provide easy access to features and functions: Expense Transactions, Vendors, Bills, Bill Payments, Mileage, Contractors, and 1099s.

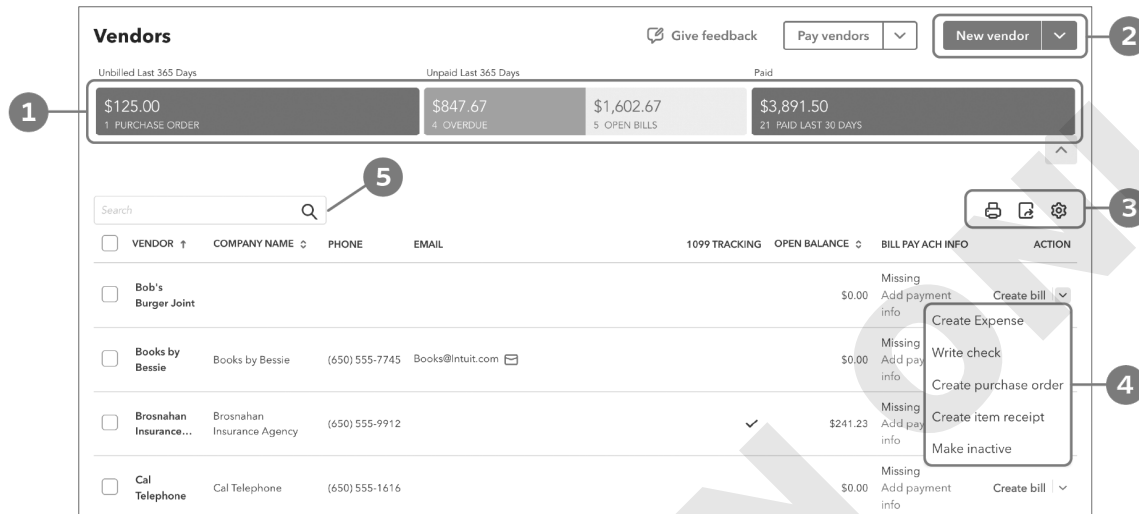
You can access the app in a couple of locations:



- 1 Via the All Apps navigation bar on the left
- 2 Via the carousel at the upper end of the window

Once you select the app icon, you will be able to select actions from a drop-down menu or from the Quick Actions widget box.

The Expenses & Bills app houses the Vendors List, which provides information about your vendors and your transactions with them in a single place. The app allows you to perform vendor-related tasks such as searching for vendors, adding vendors, importing vendor lists, editing and merging vendor information, and making vendors inactive. The app also includes tools that allow you to quickly perform tasks such as printing and exporting the Vendors List and adjusting list settings.



- 1 Money bar
- 2 New Vendor button
- 3 Print, Export, and Settings icons
- 4 Individual vendor Action menu
- 5 Vendor search field

The Money Bar

The Vendors List contains a multi-colored Money bar that gives you a quick snapshot of Accounts Payable, including open, past-due, and paid bills. You can click the Money bar sections to access more detailed information about these bills.

The Vendors List

The Vendors List displays vendor names, contact information, and open balances at a glance, as well as detailed transaction information when you select a specific name. The Action menu lets you quickly create transactions for the selected vendor.

TIP! Use the keyboard shortcut **[Ctrl]+[Alt]+[V]** to go to the Vendors List.

Adding Vendors

QuickBooks Online does not allow you to add two vendors with the same exact name. You must include a middle initial or other distinguishing identifier in the Customer Display Name field to make the names different.

If you have vendors who are independent contractors, you will want to enable the option (in the Additional Info section of the setup) to track 1099 payments and add the tax ID.

You can add vendors individually, or you can import them from an Excel or CSV worksheet.



View the Intuit Education video “How to Add Your Vendors to QuickBooks Online” in your course or ebook.



Best Practice

As you create new vendors, enter as much information as possible so you can fully utilize the power of QuickBooks Online data when creating management reports. For example, be sure to include address and contact information in the Vendors List.

TIP! Using the Expenses & Bills app is not the only way to add vendors. You can also add new vendors from within a Purchase/Expense form by typing the vendor name and adding details as directed. Or, you can choose + Create→Add Vendor.

Ask Yourself 4-1: What does the Money bar in the Expenses & Bills app provide an overview of?

- A. Accounts Payable
- B. Accounts Receivable

DEVELOP YOUR SKILLS 4-1

In this exercise, you will add a new vendor in Craig’s Design and Landscaping Services.

Before You Begin: Access the QuickBooks Online test drive/sample company at qbo.intuit.com/redir/testdrive and leave the test drive/sample company open for the entire chapter.

1. Choose **All Apps→Expenses & Bills→Vendors**.

The Vendors List displays.

2. Click the **New Vendor** button at the upper-right corner of the browser window.
3. Type **Morning Supplies** as the company name and then tap **Tab**.
4. The display name should fill automatically; if not, type: **Morning Supplies**
5. Type **650-555-8814** in the Phone Number field.

Name and contact

Company name: Morning Supplies

Vendor display name *: Morning Supplies

Title: [] First name: [] Middle name: [] Last name: [] Suffix: []

Email: [] Phone number: (650) 555-8814

Mobile number: [] Fax: []

Other: [] Website: []

Name to print on checks: Morning Supplies

6. Fill in the address as indicated:

1458 Magnolia**Bayshore, CA 94305***You can tap **Tab** to move from field to field in QBO.*

7. Choose **Net 10** in the Terms field.

8. Click **Save**.

The Vendor Display Name field is the only required field to set up a new vendor. By completing more fields, you will be able to create more vendor management reports.

Importing Vendor Data

QuickBooks Online allows you to import vendor lists from an Excel or comma-separated values (CSV) worksheet. One way you can import vendor lists is by accessing the Import Data tool from the Gear menu.

The Import Data tool allows you to import information not only about vendors but also about customers, Charts of Accounts, and products and services. The tool includes forms and prompts to help you upload and map your lists to the QuickBooks Online format. This feature is a great time-saver for existing businesses that have large lists.

QuickBooks Online often provides multiple ways of doing something, depending on where you are working within the application. Besides using the Import Data tool, you can also import data from within the Expenses & Bills app.

Gear→Tools→Import Data | All Apps→Expenses & Bills→Vendors→New Vendors menu ▼→ Import Vendors

Ask Yourself 4-2: A new business is likely to make use of the Import Data command. True or false?

Editing, Merging, and Making Vendors Inactive

Your Vendors List is customizable. After you add a vendor, you can go back and edit the record. You can also merge two vendors if you find that the same one is listed twice. Doing so will combine all the vendor's transactions into a single record. Finally, to keep your Vendors List current and less cluttered, you can inactivate vendor records that you are no longer dealing with. As with customers, you can inactivate vendors but can never truly delete them.

DEVELOP YOUR SKILLS 4-2

In this exercise, you will edit vendor data, merge two vendor records, and make one vendor inactive. Books by Bessie notified you that they have moved. You will start by editing the address.

1. Choose **Books by Bessie** from the Vendors List.
2. Click the **Edit** button and then type the new address as shown:

Address	
Street address 1	Street address 2
9871 Broadway	
City	State
Palo Alto	CA
ZIP code	Country
94303	

3. Click **Save**.
4. Return to the Vendors List by clicking the **Vendors** tab or pressing **Ctrl+Alt+V**.

Merge Two Vendors

You have discovered that Lee Advertising is actually owned by Tony Rondonuwu, who is currently listed as a separate customer in your company file. You will now merge these two records. The process is similar to that for merging customers.

5. Choose **Tony Rondonuwu** from the Vendors List.
6. Choose **Edit menu** → **Merge Contacts**.
The Merge Contacts window appears with Tony Rondonuwu selected as the vendor to merge transactions from.
7. Choose **Lee Advertising** from the Into field and then click the **Merge Contacts** button.

Edit ▼
 Make inactive
 Merge contacts

Merge contacts

Merge transactions from

Tony Rondonuwu ▼

! Make sure to save any address, phone numbers, or other details from this contact. After you merge transactions, all info from this contact will be deleted.

Into

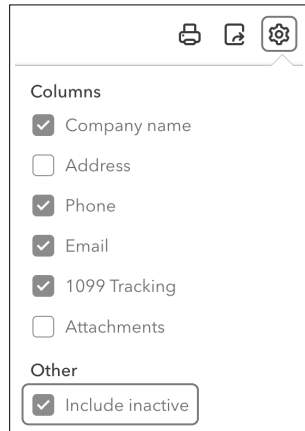
Lee Advertising ▼

8. Return to the Vendors List.

Make a Vendor Inactive

Craig reviewed the Vendors List and wants to remove old or inactive vendors. Squeaky Kleen Car Wash closed last month, so you will make this vendor inactive.

9. Select **Squeaky Kleen Car Wash** from the Vendors List.
10. Choose **Edit menu** ▼→**Make Inactive** from the drop-down menu; confirm the change when prompted.
11. Return to the Vendors List.
12. To see a complete list of vendors, including inactive vendors, click the **Gear** icon above the Action menu and then click in the check box for **Include Inactive**.



Columns

- ☒ Company name
- ☐ Address
- ☒ Phone
- ☒ Email
- ☒ 1099 Tracking
- ☐ Attachments

Other

- ☒ Include inactive

The inactive vendor is now included in the list, but it has been marked as deleted.

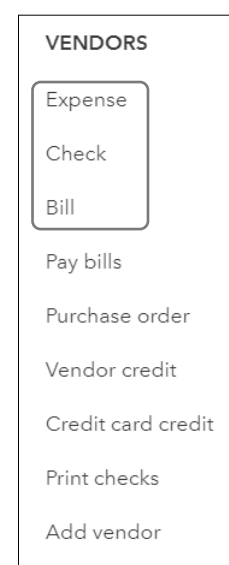


☐ Squeaky Kleen Car Wash (deleted)

Creating Vendor Transactions: Purchases and Expenses

Vendor transactions in QuickBooks Online are recorded either as an expense when you pay at the time of purchase, or as a bill if you make a purchase and pay later. Expense forms are used for all payments made with a debit card, credit card, automatic withdrawal, or wire transfer. If you have an account with your vendors, you will enter the bill on the date you made the purchase and pay the bill at a later time.

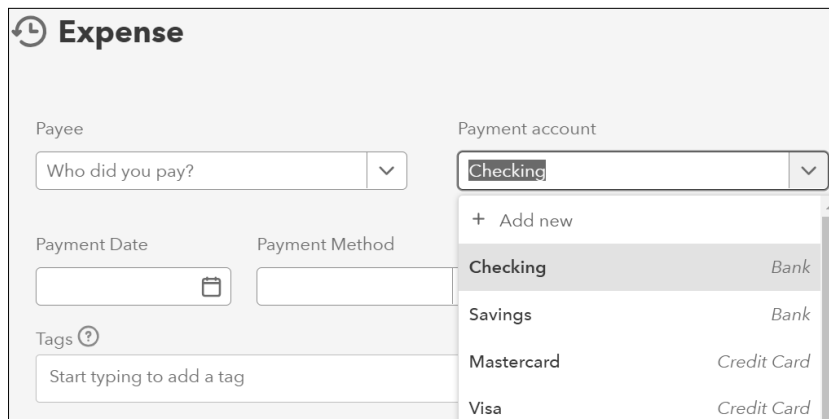
Remember that all QuickBooks Online forms are intuitive. An Expense form will always credit the bank or credit card account chosen. A Check form will always credit the bank account chosen. A Bill form will always credit Accounts Payable; this default setting cannot be changed.



VENDORS

- Expense**
- Check
- Bill
- Pay bills
- Purchase order
- Vendor credit
- Credit card credit
- Print checks
- Add vendor

At the time of this writing, Intuit is experimenting with different form templates for checks, expenses, bills, purchase orders, vendor credits, credit cards, etc. Your forms may appear differently from what is displayed and discussed here.



Expense

Payee: Who did you pay? (dropdown)

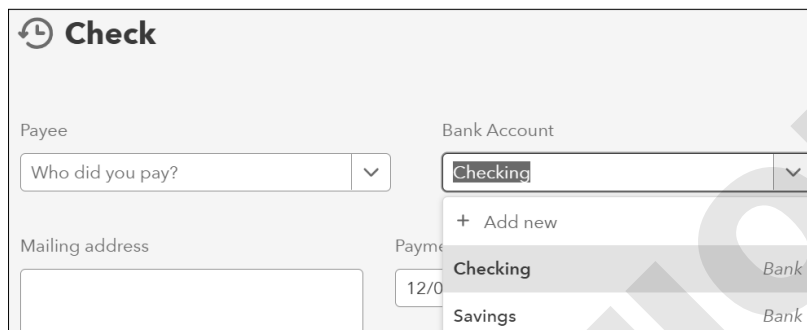
Payment account: Checking (dropdown menu open showing: + Add new, Checking Bank, Savings Bank, Mastercard Credit Card, Visa Credit Card)

Payment Date: (calendar icon)

Payment Method: (dropdown)

Tags: Start typing to add a tag

Expense form



Check

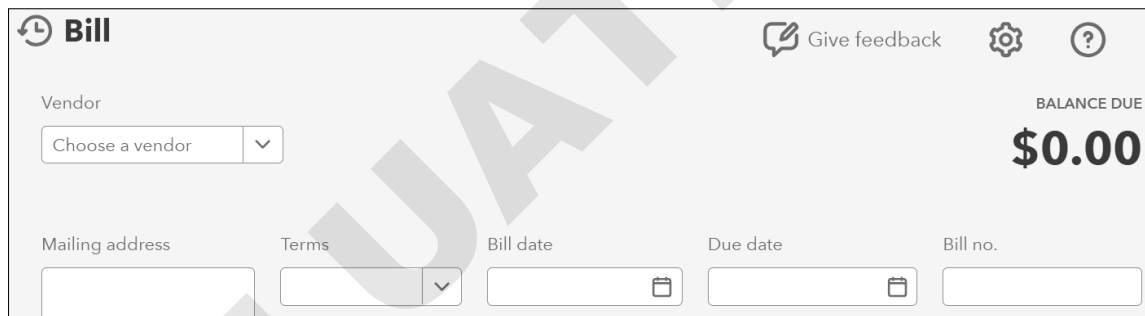
Payee: Who did you pay? (dropdown)

Bank Account: Checking (dropdown menu open showing: + Add new, Checking Bank, Savings Bank)

Mailing address: (text field)

Payment date: 12/01 (calendar icon)

Check form



Bill

Vendor: Choose a vendor (dropdown)

Mailing address: (text field)

Terms: (dropdown)

Bill date: (calendar icon)

Due date: (calendar icon)

Bill no.: (text field)

BALANCE DUE: **\$0.00**

Give feedback (icon), Settings (gear icon), Help (question mark icon)

Bill form

BEHIND THE SCENES: Bills

In accrual basis accounting, expenses are recorded when you have the obligation to pay, meaning when the expense occurs (not when it is paid). When entering a \$230 bill for general supplies, the Accounts Payable account (a liability) increases with a credit and the Supplies Expense account increases with a debit.

Accounts Payable			Supplies Expense		
Liabilities INCREASE			Equity DECREASES		
			Equity		
	Assets	= Liabilities	+	Capital	+ Revenue - Expenses
Beg. Balance:	+ \$8,000	+ \$2,000		+ \$5,000	+ \$4,000 - \$3,000
Transaction:		+ \$230			- \$230
End. Balance:	+ \$8,000	+ \$2,230		+ \$5,000	+ \$4,000 - \$3,230

Accounts Payable		Supplies Expense	
Debit	Credit	Debit	Credit
	\$230	\$230	

When the bill is paid, Checking decreases with a credit and Accounts Payable decreases with a debit.

Equity					
Assets	=	Liabilities	+	Capital	+ Revenue - Expenses
Beg. Balance:					
+ \$8,000		+ \$2,230		+ \$5,000	+ \$4,000 - \$3,230
Transaction:					
- \$230		- \$230			
End. Balance:					
+ \$7,770		+ \$2,000		+ \$5,000	+ \$4,000 - \$3,230

Checking		Accounts Payable	
Debit	Credit	Debit	Credit
	\$230	\$230	

Customizing Expense Form Settings

Before you begin recording expense transactions, decide what information should appear on expense forms and then check that form settings are appropriate for your business. Although you can customize the content of expense forms by using the Edit icon in the Expenses folder, you cannot customize their appearance (as you can with customer forms such as invoices and sales receipts).

In the following figure of the Expenses section of the Account and Settings screen, all of the defaults are “On” for Craig’s Design and Landscaping:

Account and Settings			
Company			
Usage			
Sales			
Expenses	Expenses Bills and expenses Show Items table on expense and purchase forms On Show Tags field on expense and purchase forms On Track expenses and items by customer On Make expenses and items billable On Default bill payment terms Enter Text		
Time			
Advanced			
	Purchase orders	Use purchase orders On	
	Messages	Default email message sent with purchase orders	

When you click the Edit icon in the Bills and Expenses section, you can change the terms, markup, sales tax, and more. Edit the default bill payment terms to Net 15 and then click Save and Done.

Settings	
Company	
Usage	
Accounting	
Sales	
Expenses	Expenses Bills and expenses Show Items table on expense and purchase forms ☒ Show Tags field on expense and purchase forms ☒ Track expenses and items by customer ☒ Make expenses and items billable ☒ ☐ Markup with a default rate of 0.00 % ☒ Track billable expenses and items as income ☒ In a single account ☐ In multiple accounts ☐ Charge sales tax Default bill payment terms: Net 15
Time	
Advanced	

Gear→Account and Settings→Expenses

Creating Check, Expense, and Bill Records

QuickBooks Online forms are designed to work dynamically with one another. If you link your Chart of Accounts and your Products and Services List correctly as you prepare your expense or purchase forms, the appropriate accounting transactions will be created when you make a transaction.

If you write a check at the time of a purchase, you will use a Check form to record your transaction.

If you use a credit card or debit card to pay for items at the time of purchase, you will use an Expense form. If you purchase goods and services and pay for them later, then you will enter the transaction in a Bill form and pay the bill at a later date.

WARNING! It's not a good practice to record expenses on a journal entry or directly on a Bank Withdrawal form. The profit and loss report would be correct, but the purchases/expenses would not appear on vendor reports.

DEVELOP YOUR SKILLS 4-3

In this exercise, you will record a check, a credit card purchase, and a debit card purchase for purchases made on September 1, 2029. You will start by recording a purchase made by check at Morning Supplies.

Craig stopped by Morning Supplies to purchase some materials he needed. It was a small purchase, so he used a check that he happened to have in his wallet.

1. Choose **+ Create**→**Vendors**→**Check**.
2. Choose **Morning Supplies** as the payee field and tap **[Tab]**.
3. Choose **Checking** as the account type, if necessary, and tap **[Tab]** twice.
4. Type **09/01/2029** for the payment date and tap **[Tab]**.
5. If necessary, enter **71** as the check number (it will likely AutoFill for you).
6. Choose **Job Materials:Plants and Soil** in the Category field and tap **[Tab]**.
7. Type **Misc. Plants and Plant Feed** in the Description field and tap **[Tab]**.
8. Type **42.75** in the Amount field.

Check #71

Payee: Morning Supplies Bank Account: Checking Balance \$1,201.00

Mailing address: Morning Supplies, 1458 Magnolia, Bayshore, CA 94305

Payment date: 09/01/2029 Check no.: 71

AMOUNT: **\$42.75**

Category details:

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Job Expenses:Job Materials:Plants and Soil	Misc. Plants and Plant Feed	\$42.75			

9. Choose to **Save and Close** the Check form.

Create an Expense Form

Craig met Bill for a quick lunch at Bob's Burger Joint on 09/01/2029. Craig paid with his debit card. You will now use an Expense form to record the transaction.

10. Choose **+ Create**→**Vendors**→**Expense**.
11. Choose **Bob's Burger Joint** in the payee field and tap **[Tab]**.
When entering an expense transaction, it's important to indicate from which account it was paid. In this case, the account may already be chosen.
12. Choose **Checking** as the account type, if necessary, and tap **[Tab]**.
13. Type **09/01/2029** for the payment date and tap **[Tab]** twice.
14. Type **Debit** in the Ref. No. field and tap **[Tab]**.
15. Choose **Meals and Entertainment** in the Category field and tap **[Tab]**.
16. Type **Lunch with Bill** in the Description field and tap **[Tab]**.

17. Type **24.97** in the Amount field.

Expense #Debit Copy Give feedback Settings Help Close

Payee: Payment account: Balance \$1,158.25 **\$24.97**

Payment Date: Payment Method: Ref no.:

Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Meals and Entertainment	Lunch with Bill	\$24.97			

18. Choose **Save**.

Now you will view the accounting behind the scenes for this transaction.

19. In the bottom tray, click the **More** button and then choose **Transaction Journal**.

You may need to define custom dates in the report period. If so, use 09/01/2029 to 09/01/2029.

Transaction Journal							
Craig's Design and Landscaping Services							
All Dates							
Transaction date	Transaction type	Num	Name	Memo/Description	Full name	Debit	Credit
▼ 146 (2)							
09/01/2029	Expense	Debit	Bob's Burger Joint	–	Checking	–	24.97
09/01/2029	Expense	Debit	Bob's Burger Joint	Lunch with Bill	Meals and Entertainment	24.97	–
Total for 146						\$24.97	\$24.97
TOTAL						\$24.97	\$24.97

In this example, Meals and Entertainment is the debit and Checking is the credit.

Record a Credit Card Purchase

In this transaction, you will enter a credit card purchase for coffee mugs with a logo from Mahoney Mugs.

20. Choose **+ Create**→**Vendors**→**Expense**.

21. Complete the Expense form as noted, tapping **Tab** to navigate the fields:

- Payee: **Mahoney Mugs**
- Account: **Mastercard**
- Payment Date: **09/01/2029**
- Ref No.: **MC**
- Category: **Office Expenses**
- Description: **Mugs with Logo**
- Amount: **36.50**

Payee Mahoney Mugs		Payment account Mastercard		Balance \$157.72		AMOUNT \$36.50															
Payment Date 09/01/2029		Payment Method		Ref no. MC																	
Category details <table border="1"> <thead> <tr> <th>#</th> <th>CATEGORY</th> <th>DESCRIPTION</th> <th>AMOUNT</th> <th>BILLABLE</th> <th>TAX</th> <th>CUSTOMER</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Office Expenses</td> <td>Mugs with Logo</td> <td>\$36.50</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>								#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER	1	Office Expenses	Mugs with Logo	\$36.50			
#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER															
1	Office Expenses	Mugs with Logo	\$36.50																		

22. Choose **Save and Close**.

Managing Accounts Payable

You can use QuickBooks Online to manage your Accounts Payable—that is, purchases that will be paid later or on account. When vendors send you bills and you enter these bills in QuickBooks Online, you can keep track of the amount you owe for purchases in any given period. As you set up each vendor, you can specify the terms for that vendor. You can also enter the terms directly on the Bill form.

The new Bill Pay feature allows you to schedule payments of bills to vendors using a bank transfer or debit or credit card simply by clicking the Save and Schedule Payment option. This feature is currently included in your QuickBooks Online Plus and Advanced subscription for an additional fee based on usage.

DEVELOP YOUR SKILLS 4-4

Craig has ordered a new computer and monitor for his office from Computers by Jenni. They will be delivered today, 9/1/2029, and the terms are Net 15 days. In this exercise, you will enter a bill for purchases made today and payable in 15 days.

1. Choose **+ Create**→**Vendors**→**Bill**.
2. Complete the Bill form as follows, using **Tab** to navigate the fields:
 - Vendor: **Computers by Jenni**
 - Terms: **Net 15**
 - Bill Date: **09/01/2029**
 - Bill No.: **2029-1515**
 - Category: **Office Expenses**
 - Description: **Computer and Monitor**
 - Amount: **1345.00**

Bill #2029-1515

Vendor: Computers by Jenni

BALANCE DUE
\$1,345.00

Computers by Jenni Bill Pay ACH info
Msfixit@intuit.com Missing Add payment info

Mailing address: Jenni Winslow
Computers by Jenni
1515 Main St.
Middlefield, CA 94482

Terms: Net 15 Bill date: 09/01/2029 Due date: 09/16/2029 Bill no.: 2029-1515

Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Office Expenses	Computer and Monitor	\$1,345.00			

3. Choose **Save**.

4. In the bottom tray, choose **More**→**Transaction Journal**.

Accounts Payable is the credit, which increases liabilities on the balance sheet. Office Supplies is the debit, which increases expenses on the profit and loss statement.

Accounts Payable Reports

Reports on the Navigation bar contains a number of vendor-related reports to help you manage your Accounts Payable. For example, the What You Owe section in the Standard Reports folder lets you track what you owe and when payments are due so that you can manage your cash flow. The Accounts Payable Aging Summary report in the Standard Reports folder shows your unpaid bills and how long you have owed on them.

What you owe

Accounts payable aging summary	☆	1099 Contractor Balance Summary	☆
Accounts payable aging detail	☆	Unpaid Bills	☆
Bills and Applied Payments	☆	Vendor Balance Summary	☆
Bill Payment List	☆	Vendor Balance Detail	☆
1099 Contractor Balance Detail	☆		

DEVELOP YOUR SKILLS 4-5

In this exercise, you will create reports to assist you in managing the Accounts Payable for Craig's Design and Landscaping Services.

1. Click **Reports** on the Navigation bar.
2. In the What You Owe section, click **Accounts Payable Aging Summary**.
3. Type **09/30/2029** in the As Of field.

4. Click **Enter**.

This report summarizes the vendors and the amounts due.

A/P Aging Summary Report Craig's Design and Landscaping Services As of September 30, 2029						
Vendor	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	↕ Total
Brosnahan Insurance Agency	-	-	-	-	241.23	241.23
Computers by Jenni	-	1,345.00	-	-	-	1,345.00
Diego's Road Warrior Bodyshop	-	-	-	-	755.00	755.00
Norton Lumber and Building Ma...	-	-	-	-	205.00	205.00
PG&E	-	-	-	-	86.44	86.44
Robertson & Associates	-	-	-	-	315.00	315.00
TOTAL	-	1,345.00	-	-	1,602.67	\$2,947.67

5. To see details about various totals, click any amount.
6. Review the details as you like, click **< Back to Summary Report** at the upper-left corner, and then click **< Back to Standard Reports**.
7. Click the **Standard Reports** tab. In the What You Owe section, choose **Vendor Balance Summary**.
8. Ensure that *All Dates* appears in the Report Period field and then click **Enter**.

This report gives you similar information as the Accounts Payable Aging Summary but in a different format.

Vendor Balance Summary Craig's Design and Landscaping Services All Dates	
Vendor	↕ Total
Brosnahan Insurance Agency	241.23
Computers by Jenni	1,345.00
Diego's Road Warrior Bodyshop	755.00
Norton Lumber and Building Materials	205.00
PG&E	86.44
Robertson & Associates	315.00
TOTAL	\$2,947.67

Craig would like to know whether any bills are overdue. The Accounts Payable Aging Detail report will provide this information.

9. Click **Reports** on the Navigation bar.
10. In the What You Owe section, choose **Accounts Payable Aging Detail**.

11. Change the “as of” date to **9/1/2029** and click **[Enter]**.

The report lists each bill, the number of days it is past due, and the amount.

A/P Aging Detail Report							
Craig's Design and Landscaping Services							
As of September 1, 2029							
Date ▾	Transaction type ▾	Num ▾	Vendor display name ▾	Due date ↑	Past due ▾	Amount ▾	Open balance ▾
▼ 91 or more days past due (5)							
09/10/2025	Bill	-	PG&E	10/10/2025	44	86.44	86.44
10/25/2025	Bill	-	Robertson & Associates	10/25/2025	29	315.00	315.00
10/25/2025	Bill	-	Norton Lumber and Building M...	10/25/2025	29	205.00	205.00
10/18/2025	Bill	-	Brosnahan Insurance Agency	10/28/2025	26	241.23	241.23
10/23/2025	Bill	-	Diego's Road Warrior Bodyshop	11/22/2025	1	755.00	755.00
Total for 91 or more days pa...						\$1,602.67	\$1,602.67
▼ CURRENT (1)							
09/01/2029	Bill	2029-1515	Computers by Jenni	09/16/2029	-1393	1,345.00	1,345.00
Total for CURRENT						\$1,345.00	\$1,345.00
TOTAL						\$2,947.67	\$2,947.67

You can access similar information on the Vendors List's Money bar by clicking the orange Overdue section to display only overdue bills.

intuit

quickbooks

Sample Company

Navigate or search for transactions, contacts, reports, and more

Contact experts

1

2

+

Create

+

Accounting

+

Expenses & Bills

+

Expense transactions

+

Vendors

+

Bills

+

Bill payments

+

Mileage

+

Contractors

+

1099s

+

Sales & Get Paid

+

Customer Hub

+

Team

+

Time

+

Inventory

+

Home

+

Feed

+

Reports

+

All apps

+

PINNED

+

Accounting

+

Expenses

+

Sales

Vendors

Give feedback

Pay vendors

New Vendor

Unbilled Last 365 Days

\$125.00

1 PURCHASE ORDER

Unpaid Last 365 Days

\$847.67

4 OVERDUE

Paid

\$2,947.67

6 OPEN BILLS

\$1,887.64

19 PAID LAST 30 DAYS

Filter:

OVERDUE BILLS

Clear filter / View all

Search

VENDOR

↑

COMPANY NAME

▾

PHONE

EMAIL

1099 TRACKING

PENDING BILLS

OVERDUE BALANCE

▾

ACTION

Brosnahan Insurance Agency

Brosnahan Insurance Agency

(650) 555-9912

✓

1 overdue bill

\$241.23

Pay balance

▾

Norton Lumber and Building...

Norton Lumber and Building Materials

(650) 363-6578

Materials@intuit.com

1 overdue bill

\$205.00

Pay balance

▾

PG&E

PG&E

(888) 555-9465

utilities@noemail.com

1 overdue bill

\$86.44

Pay balance

▾

Robertson & Associates

Robertson & Associates

(650) 557-1111

1 overdue bill

\$315.00

Pay balance

▾

Other Vendor Reports

The Standard Reports tab includes a category called Expenses and Vendors. These reports provide summaries and/or detailed information about purchases by vendor, as well as purchases by Product/Service.

Reports→Standard Reports tab→Review Expenses and Purchases

DEVELOP YOUR SKILLS 4-6

In this exercise, you will prepare a vendor report to show Craig all the transactions for each vendor.

1. Click **Reports** on the Navigation bar and click the **Standard Reports** tab.
2. Choose **Transaction List by Vendor** in the Expenses and Vendors section.

3. Choose **All Dates** in the Report Period field.

A partial list of the report appears here. Your dates will vary.

Transaction List by Vendor Craig's Design and Landscaping Services All Dates						
Date	Transaction type	Num	Posting (Y/N)	Memo/Description	Account full name	Amount
▼ Bob's Burger Joint (3)						
11/05/2029	Cash Expense	–	Yes	–	Checking	-5.66
11/10/2029	Cash Expense	–	Yes	–	Checking	-3.86
11/19/2029	Credit Card Expense	–	Yes	Bought lunch for crew 102	Mastercard	18.97
Total for Bob's Burger Joint						\$9.45
▼ Books by Bessie (3)						
10/04/2029	Check	12	Yes	–	Checking	-55.00
10/31/2029	Bill	–	Yes	–	Accounts Payable (A/P)	75.00
11/12/2029	Bill Payment (Check)	3	Yes	–	Checking	-75.00
Total for Books by Bessie						\$55.00
▼ Brosnahan Insurance Ag... (3)						
11/07/2029	Bill	–	Yes	Opening Balance	Accounts Payable (A/P)	2,000.00
11/07/2029	Bill	–	Yes	–	Accounts Payable (A/P)	241.23
11/11/2029	Bill Payment (Check)	1	Yes	–	Checking	-2,000.00
Total for Brosnahan Insuran...						\$241.23
▼ Cal Telephone (4)						
09/29/2029	Bill	–	Yes	–	Accounts Payable (A/P)	56.50
10/29/2029	Bill	–	Yes	–	Accounts Payable (A/P)	74.36
11/12/2029	Bill Payment (Credit Card)	1	Yes	–	Mastercard	74.36
11/14/2029	Bill Payment (Credit Card)	1	Yes	–	Mastercard	56.50
Total for Cal Telephone						\$261.72
▼ Chin's Gas and Oil (7)						
09/25/2029	Check	4	Yes	–	Checking	-54.55
10/10/2029	Check	5	Yes	–	Checking	-62.01
10/30/2029	Expense	1	Yes	–	Mastercard	65.00

Paying Bills

When you pay bills in QuickBooks Online, you choose the account to make the payment from. When you pay with a check, the Accounts Payable (liability) decreases *and* the checking account balance (asset) decreases. You can also pay bills with a credit card.

DEVELOP YOUR SKILLS 4-7

In this exercise, you will pay all the bills that are past due and print checks.

1. Choose **+ Create**→**Vendors**→**Pay Bills**.
2. Choose **Checking** as the payment account and tap **Tab**.
3. Type **09/01/2029** in the payment date field and tap **Tab**.
4. The Starting Check No. field should fill in with check number 72; if not, update it.
5. Click the check boxes to the left of the first four vendors (payees).

Payment account

Checking

Payment date

09/01/2029

Starting check no.

72

Print later

TOTAL PAYMENT AMOUNT

\$847.67

Balance: \$1,133.28

Filters

Last 12 months

	PAYEE	REF NO.	DUE DATE	STATUS	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
☒	PG&E		10/08/	Overdue 41 days ago	\$86.44	Not available	86.44	\$86.44
☒	Norton Lumber and Building Materials		10/23/	Overdue 26 days ago	\$205.00	Not available	205.00	\$205.00
☒	Robertson & Associates		10/23/	Overdue 26 days ago	\$315.00	Not available	315.00	\$315.00
☒	Brosnahan Insurance Agency		10/26/	Overdue 23 days ago	\$241.23	Not available	241.23	\$241.23
☐	Diego's Road Warrior Bodyshop		11/20/	Due soon Due in 2 days	\$755.00	Not available	0.00	\$0.00
☐	Computers by Jenni	2029-1515	09/16/2029	Due later Due in 1763 days	\$1,345.00	Not available	0.00	\$0.00
Total payment					\$847.67	\$0.00	\$847.67	\$847.67

Print Checks

6. In the lower-right corner, choose **Save and Print** from the drop-down menu.

7. Choose **Voucher** as the check type and then click the **Yes, I'm Finished with Setup** button in the lower-right corner.

You are returned to the Pay Bills window.

8. Close the Pay Bills window and then go to **New**→**Print Checks**.

9. Click the check boxes for the four checks and then click **Preview and Print**.

The Print Checks window opens.

10. Verify that *Checking* is the account type, enter **72** as the starting check number, and then click **Preview and Print**.

	DATE	TYPE	PAYEE	AMOUNT
☒	09/01/2029	Bill Payment (Check)	PG&E	\$86.44
☒	09/01/2029	Bill Payment (Check)	Norton Lumber and Building Materials	\$205.00
☒	09/01/2029	Bill Payment (Check)	Robertson & Associates	\$315.00
☒	09/01/2029	Bill Payment (Check)	Brosnahan Insurance Agency	\$241.23

If this were a real work situation, you would now load your checks into your printer. For this example, you will print on plain paper or to a PDF file.

11. On the Print Preview screen, click **Print** and choose to print on blank paper or to a PDF file. (If printing to PDF, choose an appropriate name for the file.)
12. Close the Print Preview screen.
13. Click **Done** in the next window and then close the Print Checks window.
14. Return to the **Vendors List**.

No bills are overdue now.

Tackle the Tasks

This is your opportunity to apply some of the skills learned in this chapter to accomplish additional tasks for Craig's Design and Landscaping Services. To refresh your memory, refer to the concepts and Develop Your Skills exercises as needed.

Before You Begin: Close the current test drive/sample company window and then open a new test drive/sample company window.

Task	Use This Information
Set Up New Vendors	- Christina Gomez, 456 College Ave., Bayshore, CA 94301 - Gloria's Garden, 8585 Main Drive, Bayshore, CA 94302 - KGS Tax and Accounting, PO Box 145, Bayshore, CA 94302 Try adding multiple vendors from the New Vendor drop-down menu.
Record a Check	Paid Gloria's Garden for purchase of Custom Garden Art; Job Expenses: Job Materials category; paid \$255 with check number 71 on 9/03/2029
Create a Bill	Billed \$100 by Books by Bessie for accounting services (Legal & Professional Fees account); bill number 2029-902; dated 9/3/2029; due in 15 days
Create a Bill	Dated 9/4/2029 from Cal Telephone for purchase of a new speaker gadget for conference room; bill number 15188 for \$89.23; Office Expenses category; due in 15 days
Create an Expense	Paid Squeaky Klean Car Wash \$19.99 for a car wash with MasterCard on 9/5/2029; Automobile category
Pay Bills	For Books by Bessie and Cal Telephone on 9/17/2029 from the checking account; start with check number 72
Create a Transaction List by Vendor Report	Report duration: 9/1/2029 through 9/30/2029 Export the report to Excel (.xlsx) and save the file to your Chapter 04 folder as: CH04 TTT CDLS Transaction List by Vendor

Your report should look something like this. (Remember here and throughout that QuickBooks Online can change at any time, and this includes report formatting and layout.)

Transaction List by Vendor						
Craig's Design and Landscaping Services						
September 2029						
Date	Transaction type	Num	Posting (Y/N)	Memo/Description	Account full name	Amount
▼ Books by Bessie (2)						
09/03/2029	Bill	2029-902	Yes	–	Accounts Payable (A/P)	100.00
09/17/2029	Bill Payment (Check)	72	Yes	1345	Checking	-100.00
Total for Books by Bessie						\$0.00
▼ Cal Telephone (2)						
09/04/2029	Bill	15188	Yes	–	Accounts Payable (A/P)	89.23
09/17/2029	Bill Payment (Check)	73	Yes	–	Checking	-89.23
Total for Cal Telephone						\$0.00
▼ Gloria's Garden (1)						
09/03/2029	Check	71	Yes	–	Checking	-255.00
Total for Gloria's Garden						-\$255.00
▼ Squeaky Klean Car Wash (1)						
09/05/2029	Expense	–	Yes	–	Mastercard	19.99
Total for Squeaky Klean Car...						\$19.99
TOTAL						-\$235.01

Self-Assessment

Check your knowledge of this chapter's key concepts and skills using the Self-Assessment quiz here, in your ebook, or in your course.

1. You can delete a vendor in QuickBooks Online. True False
2. You can have two vendors with the same name. True False
3. A vendor is a person or business you sell services or products to. True False
4. You can set up a new vendor only from the Vendors List. True False
5. You can record purchases with a credit card in QuickBooks Online. True False
6. The Accounts Payable Aging Summary report in the Standard Reports folder categorizes unpaid bills based on how overdue they are. True False
7. You can customize the appearance of a Bill form in QuickBooks Online. True False
8. You can import vendor information into QuickBooks Online. True False
9. A Vendor Balance Summary report is useful for knowing the total amount purchased from each vendor. True False
10. Hector is a supplier who sells you products. Which list should you add him to?
 - A. Contacts
 - B. Customers
 - C. Vendors
 - D. Chart of Accounts
11. To enter a transaction for a service paid for using a debit card, you would:
 - A. choose + Create→Vendors→Debit Card
 - B. choose + Create→Vendors→Payment
 - C. choose + Create→Vendors→Expense
 - D. choose + Create→Vendors→Bill
12. How can you track Accounts Payable in QuickBooks Online?
 - A. Record an expense and then pay it.
 - B. Enter a bill and then pay it.
 - C. Write a check for the expense.
 - D. You cannot track Accounts Payable in QuickBooks Online.
13. To take a quick look at all past-due bills, you should:
 - A. create a Transaction List by Vendor report.
 - B. click the orange Past Due section on the Money bar in the Expenses center.
 - C. create a Chart of Accounts and check the balance in Accounts Payable.
 - D. choose + Create→Vendors→Pay Bills.

Reinforce Your Skills

REINFORCE YOUR SKILLS 4-1

Add and Edit Vendors

In this exercise, you will add new vendors to the Puppy Luv Pampered Pooch company file and update a vendor's contact information.

Before You Begin: Access your trial subscription to QuickBooks Online.

1. Choose **All Apps**→**Expenses & Bills**→**Vendors**.

There should already be five vendors.

2. Choose **New Vendor menu button** ▼→**Multiple Vendors** and enter the information for the following vendors in the appropriate fields:

You can customize which columns you want to see.

- Sundown District Water, PO Box 1455P, Los Angeles, CA 90051
- Silva's Catering, 123 East Southside, Los Angeles, CA 90022; 310-555-1414
- Steve Nguyen, 78441 Normandie Ct., Los Angeles, CA 90005; 310-555-8138

3. Edit the Ace Groomer and Supply Company vendor with this new information:

1475 West Main St.

Bullhead City, AZ 86426

Hector@Ace.email.net

800-555-7491

REINFORCE YOUR SKILLS 4-2

Review and Set Default Expense Settings

In this exercise, you will review and set the Expense form defaults for Puppy Luv Pampered Pooch.

1. Choose **Gear**→**Your Company**→**Account and Settings**.
2. Click **Expenses** at right and then open the Bills and Expenses section for editing.
3. Edit the default bill payment terms to **Net 15**.
4. Ensure the Purchase Orders slider is in the **Off** position.

Remember to save your changes and click Done. You won't always be reminded to do this, but you should always save and close out screens to complete the actions.

REINFORCE YOUR SKILLS 4-3

Create Purchase and Expense Forms

The Grand Opening party for Puppy Luv Pampered Pooch was a great success. Sadie has given you all the receipts for the party expenses, plus a few bills that need to be scheduled for payment. In this exercise, you will create the purchase/expense transactions for Puppy Luv Pampered Pooch. You will need to add a vendor.

1. Choose **+ Create**→**Vendors**→**Check** and record the following: Check number 10006 for \$200 to Silva's Catering for all food and beverages for the Grand Opening; Meals & Entertainment account; dated 08/09/2029.
2. Choose **+ Create**→**Vendors**→**Expense** and record the following: \$125 paid by debit card to Steve Nguyen for Window Display; Marketing account; paid on 07/30/2029.
3. Choose **+ Create**→**Vendors**→**Bill** and record the following: Bill number 2029-115 dated 7/27/2029 for \$55.50; from Bonni's Dog Biskits, 144 Beach Rd., Ventura, CA 93003; for some treats for the pooches; Pooch Supplies account; due in 15 days.

REINFORCE YOUR SKILLS 4-4

Create a Vendor Report

Sadie would like a report to show all of the vendor transactions to date. In this exercise, you will create some vendor- and expense-related reports for Sadie.

1. Click **Reports** on the Navigation bar.
2. Click the **Standard Reports** tab, and under Expenses and Vendors choose **Transaction List by Vendor**.
3. Choose **All Dates** as the report period in the date drop-down menu.

Transaction List by Vendor						
Puppy Luv Pampered Pooch - All Dates						
Date	Transaction type	Num	Posting (Y/N)	Memo	Account full name	Amount
▼ Ace Groomer and Supp... (1)						
07/05/2029	Check	10001	Yes		Los Angeles City Bank	-16,000.00
Total for Ace Groomer and Supp...						-\$16,000.00
▼ Bonni's Dog Biskits (1)						
07/27/2029	Bill	2029-115	Yes		Accounts Payable (A/P)	55.50
Total for Bonni's Dog Biskits						\$55.50
▼ Capital Properties (1)						
07/30/2029	Check	10005	Yes		Los Angeles City Bank	-3,300.00
Total for Capital Properties						-\$3,300.00
▼ City of Los Angeles Clerk (1)						
07/10/2029	Check	10002	Yes	Business License	Los Angeles City Bank	-450.00
Total for City of Los Angeles Clerk						-\$450.00
▼ Doggies Plus (1)						
07/15/2029	Check	10003	Yes		Los Angeles City Bank	-2,500.00
Total for Doggies Plus						-\$2,500.00
▼ George's Pet Media (1)						
07/17/2029	Check	10004	Yes		Los Angeles City Bank	-800.00
Total for George's Pet Media						-\$800.00
▼ Silva's Catering (1)						
08/09/2029	Check	10006	Yes		Los Angeles City Bank	-200.00
Total for Silva's Catering						-\$200.00
▼ Steve Nguyen (1)						
07/30/2029	Expense	Debit	Yes		Los Angeles City Bank	-125.00
Total for Steve Nguyen						-\$125.00
TOTAL						-\$23,319.50

Apply Your Skills

Now it's time to use your new skills to prepare all the Puppy Luv Pampered Pooch purchase and expense transactions for the first few weeks of August. The first step in the accounting cycle is to analyze the transaction, determine what accounts will be affected, and then choose the appropriate action—in the right sequence and on the right form. The second step is to record the transaction.

In these exercises, you will perform these steps of the accounting cycle. To simulate a real-world accounting environment, some of the information to be entered is presented in a random fashion—imagine a pile of bills, receipts, and notes that you have to sort through and analyze. Take your time and think carefully about your choices.

APPLY YOUR SKILLS 4-1

Add and Edit Vendors

Sadie has been busy looking for new suppliers and networking with local dog breeder associations, shelters, and Chambers of Commerce. She has found a couple new vendors and received additional information from an existing vendor. In this exercise, you will add and edit vendors.

1. Add these vendors:
 - Sundown District Gas and Electric, PO Box 259RT, Los Angeles, CA 90051
 - District Party Décor, 1411 E Magnolia, Los Angeles, CA 90052
2. Edit the George's Pet Media vendor with this new information:
GPM@email.net
310-555-7711

APPLY YOUR SKILLS 4-2

Create Purchase and Expense Transactions

Sadie has left you some receipts for payment made and a few bills to enter. She has written notes so you know which account to record the transaction in. In this exercise, you will create the transactions for these receipts and bills. (Hint: You may need to add vendors and accounts/categories.)

1. Review the list and then create the necessary transactions:
 - Debit card transaction for decorations for the Grand Opening; 7/30/2029 at District Party Décor; \$37.88; Office Supplies and Software
 - Debit card transaction for raffle tickets, tissue paper, and ribbons; \$25.66 at Office Plus; 7/28/2029; Office Supplies and Software
 - Credit card purchase; 7/25/2029; Sundown District Chamber of Commerce lunch meeting; \$45; Meals & Entertainment
 - Credit card purchase; 7/28/2029 for \$389.10 from District Party Décor for rental of tables and chairs, balloons, and music for the Grand Opening party; Equipment Rental (Type: Expenses)
 - Credit card purchase; 7/27/2029 to US Post Office for stamps; \$47.00; Postage
 - Bill dated 7/30/2029 from Sundown District Water for \$16.84; for service from 7/20/2029 to 7/28/2029; due in 15 days; Utilities

- Bill dated 7/30/2029 from PetEdge, PO Box 100, Beverly, MA 01915; for pooch nail clippers; bill number 89774; \$48.96; due in 15 days; Pooch Supplies
- Bill dated 7/28/2029 from Designs for You, 1004 Makers Road, Los Angeles, CA 90022; bill number 29-8944; due in 15 days; for 1000 business cards; \$108; Marketing
- Bill dated 8/08/2029 from Sundown District Chamber of Commerce for one-year membership; \$250.00; bill number PLPP 2029; due in 15 days; Dues and Subscriptions (Type: Expenses)

APPLY YOUR SKILLS 4-3 QG

Prepare Report and Pay Bills

Sadie has asked you to provide a list of all unpaid bills. She will advise you about which bills to pay and any additional reports she would like to review. In this exercise, you will prepare a report of unpaid bills for Sadie.

1. Prepare an **Accounts Payable Aging Summary** report as of August 15, 2029.
2. Export the report to Excel, saving it in your **Chapter 04** folder as:
CH04 AP Aging 8.15.29
3. Pay all the bills due by 8/12/2029 on **8/10/2029**. The beginning check number is **10007**.
4. Print the checks to a PDF file and then save checks **10007–10008**.
5. Prepare a **Vendor Balance Summary** report for all dates.
The balance should be \$315.80.
6. Export the report to Excel, saving it in your **Chapter 04** folder as:
CH04 Vendor Balance Summary

Compact 



Vendor Balance Summary

Puppy Luv Pampered Pooch -
All Dates

	 Total
PetEdge	48.96
Sundown District Chamber of Commerce	250.00
Sundown District Water	16.84
TOTAL	\$315.80

7. Prepare a **Transaction List by Vendor** report for all dates; export it to Excel, saving it in your **Chapter 04** folder as: **CH04 Transaction List By Vendor**

CHECK FIGURE *Your figures should match those shown here:*

Los Angeles City Bank	\$51,920.96
Accounts Payable	\$315.80
City Credit Union	\$481.10

Keeping on Track

The next chapter builds on the work completed in this chapter. Before moving on, run a Trial Balance report with the Accounting Method set to Accrual and confirm your accounts so you don't carry over any errors. If something is off, investigate the transactions from this chapter. The first step in figuring out an error is to review the steps of the assignments to make sure all work was completed as directed. Most errors deal with dates, amounts, or classifications.

Trial Balance End of Chapter 4 Puppy Luv Pampered Pooch			
All Dates			
	Debit		Credit
Los Angeles City Bank	51,920.96		–
Accounts Receivable (A/R)	220.50		–
Prepaid Rent	3,300.00		–
Undeposited Funds	0.00		0.00
Salon Equipment	16,000.00		–
Accounts Payable (A/P)	–		315.80
City Credit Union	–		481.10
Owner's Investment	–		75,000.00
Pooch Services	–		743.50
Dues and Subscriptions	250.00		–
Equipment Rental	389.10		–
Marketing	1,033.00		–
Meals & Entertainment	245.00		–
Office Supplies & Software	63.54		–
Pooch Supplies	2,604.46		–
Postage	47.00		–
Taxes & Licenses	450.00		–
Utilities	16.84		–
TOTAL	\$ 76,540.40	\$	76,540.40