

QUICKBOOKS 2017 STUDENT GUIDE

Lesson 13 Estimating and Progress Invoicing



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Lesson Objectives

- Learn how to create job estimates
- Find an estimate in a data file
- Learn to duplicate an existing estimate
- Create an invoice from an estimate
- Create project reports for estimates
- To update a job's status
- To make an estimate inactive

Estimate & Progress Invoicing Overview

Progress invoicing (also known as progress billing) lets you invoice for jobs that you work on and complete in phases. When using progress invoicing, you start by creating an estimate for the job (you don't have to give this estimate to the customer).

Then, as you complete each phase, you can easily transfer items from the original estimate to an invoice. You can specify which items to include on each invoice and change estimated amounts or percentages. When you use estimates to create progress invoices, you can run reports to help you track your estimated versus actual costs.

Estimates

An estimate is a description of work you can do or products you can provide for customers. QuickBooks refers to this as creating an estimate, but you can give the form your own title such as bid, grant, or proposal. To use progress invoicing in QuickBooks you'll use the estimate feature in order to use progress invoicing.

Estimates are non-posting transactions — they do not affect any financial reports or income and expense balances. QuickBooks allows you to create invoices from estimates either by transferring the entire estimate to an invoice or by choosing a percentage or selected items to invoice.

To turn on estimates and progress invoicing:

- 1. From the Edit menu, choose Preferences.
- 2. Click Jobs & Estimates in the left panel.
- 3. Click the Company Preferences tab to display the job and estimate preferences.
- 4. Select Yes to the question Do You Create Estimates?
- 5. Select Yes to the question Do You Do Progress Invoicing?
- 6. Click **OK** to save the changes and close the Preferences window.

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Lesson 13 — Estimating and Progress Invoicing

Create Estimates

To create an estimate from the Customer Centre:

- 7. From Home Page click Estimates.
- 8. Choose the Customer:Job.
- Complete the header of the Estimate form including the Date, Estimate# and other relevant information like Shipping Address, Class, etc.
- 10. From the Item column choose the Items that you're going to estimate and eventually sell to the customer.
- 11. Add or edit the **Quantity, Cost** and **Amount** as needed. Note: The Cost is the item's cost as it is setup on the item record.
- 12. Add the Markup if appropriate.
- 13. Add the Tax.
- 14. Click Save & Close to save the estimate.

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Find New Save Delete	Memorize Mark As Inactive	Print Email		Attach File	Create Sale	is Order			
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Estimate			DATE 09/13/2016 ESTIMATE # 6		Card, Brad 242 Machray A Surrey, BC V4S 3T2	ve			
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02 Site Work 02.10 Demo	Demo			2.800	2,800.00	25.0%	3.500.00	G	
04 Concrete	Concrete			7,656	7,656.00	30.0%	9,952.80	G	
05 Masonry	Masonry		200	25.00	5,000.00	33.5%	6,675.00	G	
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CUSTOMER MESSAGE							0.00		
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You can easily create multiple variations of an estimate without having to reenter all of the data. First you create a duplicate of the original estimate then make the modifications necessary for the second bid.

To create a duplicate of an existing estimate:

- 1. Right-click in the body of the estimate and choose **Duplicate Estimate** from the list that displays (or use the **Edit** drop-down and select **Duplicate Estimate**).
- 2. Click **OK** when QuickBooks notifies you the duplicate estimate has been created.
- 3. Edit the estimate to create a new estimate.
- 4. Click Save & Close.

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Estimate		DATE NAME 09/13/2016 III Car ESTIMATE # 242 6 Sur	/ ADDRESS d, Brad Machray Ave ey, BC 3T2	
ITEM	DESCRIPTION	Find Estimates Refresh	NT I MARKUP I TO	212 50 C
02 Site Work:02.10 Demo 04 Concrete	Demo Concrete	Copy Line Paste Line	800.00 25.0% 856.00 30.0%	3,500.00 G
05 Masonry Direct Labour:Framing Labour	Masonry Framing Labour	Delete Estimate Duplicate Estimate	000.00 33.5% 200.00 20.0%	6,675.00 G 8,640.00 G
		Memorize Estimate Transaction History Memorized Transactions Attach		22,906.00 6,174.30 1,454.02
CUSTOMER MESSAGE	1	QuickReport TOTAL	30	0.00
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Notes

Lesson 13 — Estimating and Progress Invoicing

Reporting on Estimates

You can create an Estimates by Job report to view all of your estimates in one place. This report lists all active estimates assigned to a customer or job. You can see at a glance how many estimates exist for each customer or job.

To create this report:

- 1. Go to the **Reports** menu and click **Jobs, Time & Mileage**.
- 2. Click Estimates by Job.
- 3. To open any of the estimates listed, double-click the transaction

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			Card, Brad														
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			Card, Brad - Other														
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			Greene, Jeremy														
			Kitchen Renovation	n													
			Estimate	05	/01/2010	3					~		42,462.00				
			Total Kitchen Renova	tion									42,462.00				
			Total Greene, Jeremy										42,462.00				7

Creating an Invoice from an Estimate

Once you've created an estimate and the customer has approved it, you can use the estimate to invoice the customer.

Progress invoicing (also known as progress billing) lets you invoice for jobs you complete in phases. When using progress invoicing, you start by creating an estimate for the job. As you complete each phase, you can easily transfer items from the original estimate to an invoice.

To create an invoice for 100% of an Estimate:

- 1. From the Home Page, click Create Invoices.
- 2. Choose the **Customer: Job** name.
- 3. QuickBooks displays the **Available Estimates** window. From this window click the Estimate you'd like to convert to an invoice.
- 4. Click OK.

	Available Estimates										
Customer:Job	ard, Brad	-		ок							
Select an estimate	Select an estimate to invoice										
DATE	: AMOUNT	CUSTOMER:JOB	EST. NO.	Cancel							
04/16/2010	21,735.00	Card, Brad:Theatr	2	Help							
09/13/2016	30,534.32	Card, Brad	6								

- 5. Select Create invoice for a percentage of the entire estimate.
- 6. Enter the percentage you wish to bill for in the **% of estimate** field.
- 7. Click OK.

	Create Progress Invoice Based On Estimate	×									
Speci	Specify what to include on the invoice.										
0	Create invoice for the entire estimate (100%).										
0	Create invoice for a percentage of the entire estimate.										
	% of estimate										
0	Create invoice for selected items or for different percentages of each item.										
	OK Cancel Help										

- 8. You may choose to use a different invoice template for progress invoices, in which case you would select the appropriate template from the **Template** drop-down.
- 9. Click **Save & Close** to record the invoice.

	Crea	ate Invoices	;					- 0	×
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CUSTOMER: JOB Card, Brad: Theatre Room		ess Invoice	•						<
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			17						
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Direct Labour:Drywall Labour	Drywall Labour	1,500.00			G	1,500.00	100.0%	1,500.00	1
Direct Labour:Electrical Labour	Electrical Labour	750.00			G	750.00	100.0%	750.00	153
								•	E/
							GST 5.0%	1,035.00	
							ĺ	0.00	
CUSTOMER MESSAGE					TOTAL			21,735.00	38
-				F	AYMENTS APPLIED			0.00	
					BALANCE DUE			21,700.00	
MEMO C	USTOMER -				Save & Close	<u>S</u> ave	& New	Clear	S.

To create an invoice for % of an Estimate:

- 1. From the Home Page, click Create Invoices.
- 2. Choose the **Customer: Job** name.
- 3. QuickBooks displays the **Available Estimates** window. From this window click the Estimate you'd like to convert to an invoice.

4. Click OK.

		×				
0	Customer:Job	Card, Brad		Ψ.		ок
\$	elect an estim	ate to invoice				
	DATE	: AMOUN	т	CUSTOMER:JOE	EST. NO.	Cancel
	04/16/2010		21,735.00	Card, Brad:The	atr 2	Help
	09/13/2016		30,534.32	Card, Brad	6	

5. Select Create invoice for a percentage of the entire estimate.

	Create Progress Invoice Based On Estimate	×							
Specify what to include on the invoice.									
Create invoice	Create invoice for the entire estimate (100%).								
Create invoice	Create invoice for a percentage of the entire estimate.								
% of estimate	50.0%								
Create invoice	for selected items or for different percentages of each item.								
ОК	Cancel Help								

- 6. Enter the percentage you wish to bill for in the % of estimate field.
- 7. Click OK.
- 8. Click Save & Close.

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CUSTOMER:JOB		gress Invoice 🔹	-				<
Invoice		DATE 09/13/2010 INVOICE # 18	6 🛍	INVOICE TO Card, Brad 242 Machray Av Surrey, BC V4S 3T2	/e		
					P.O. NO		TERMS
							Due on receipt -
ITEM	DESCRIPTION	EST PRIOR	ΩΤΥ	TAX	RATE	TOTAL	AMOUNT
01 Plans and Permits	Plans and Permits	312.50	0.5	G	312.50	50.0%	156.25
02 Site Work:02.10 Demo	Demo	3,500	0.5	G	3,500.00	50.0%	1,750.00
04 Concrete	Concrete	9,952	0.5	G	9,952.80	50.0%	4,976.40
							•
CUSTOMER MESSAGE	•		Pé	TOTAL MENTS APPLIED BALANCE DUE		GST 5.0%	727.01 0.00 15,267.16 0.00 15,267.16
MEMO	CUSTOMER G			S <u>a</u> ve & Close	<u>S</u> ave 8	k New	Clear

Lesson 13 — Estimating and Progress Invoicing

9. Repeat the process for the additional phase of invoicing.

10. Click **OK**.

Available Estimates										
Customer: <u>J</u> ob	Card, Brad	•		ок						
Select an estim	Select an estimate to invoice									
DATE	AMOUNT	CUSTOMER:JOB	EST. NO.	Cancel						
09/13/2016	30,534.3	32 Card, Brad	6	Help						
L										

11. Repeat the process for the additional phase of invoicing.

	Create Progress Invoice Based On Estimate									
Specify what to include on the invoice.										
	Create an invoice for the remaining amounts of the estimate.									
	 Create invoice for a percentage of the entire estimate. % of estimate 									
	Create invoice for selected items or for different percentages of each item.									
	OK Cancel Help									

12. Click **OK**.

13. Click **Save & Close** to complete the final invoice.

Displaying Reports for Estimates

Because you've just completed a progress invoice, you can see how QuickBooks records this on the Job Progress Invoices vs. Estimates report. This report shows job status, estimate total, total invoiced from the estimate on progress invoices, and the percentage of the estimate already invoiced on progress invoices.

To display the Job Progress Invoices vs. Estimates report:

- 1. From the Reports menu, choose Jobs, Time & Mileage.
- 2. Choose Job Progress Invoices vs. Estimates.

Job Progress Invoices vs. Estimates										
Custo	mize Report	Comme <u>n</u> t on Report	Memori <u>z</u> e	Prin <u>t</u>	E-ma <u>i</u> l v Exce	Hide He <u>a</u> der	Refre <u>s</u> h			
<u>D</u> ates	All	•	From	Ш То		Sort By Default	•			
12:59 PM White Ridge Construction Company										
^{09/13/16} Job Progress Invoices vs. Estimates										
All Transactions										
	Тур	e Date	Num Esti	mate Active	Estimate Total	Progress Invoice	% Progress			
	Allin, Hilda									
	600 SQ Ft Ac	dition								
•	Estimate	01/04/2010	1	~	54,853.05	0.00	0.0% <			
	Card, Brad									
	Theatre Roo	om								
	Estimate	04/16/2010	2	~	21,735.00	21,735.00	100.0%			
	Card, Brad -	Other								
	Estimate	09/13/2016	6	~	30,534.32	15,267.16	50.0%			
	Greene, Jeren	ny								
	Kitchen Ren	ovation								
	Estimate	05/01/2010	3	1	42,462.00	0.00	0.0%			
	Rajyaguru, Kar	nlesh								
	Tea and Cru	Impets Room								
	Estimate	11/04/2010	4	1	55,104.00	0.00	0.0%			
	Uchman, Roy									
	Hangar									
	Estimate	11/30/2010	5	~	67,798.50	0.00	0.0%			

3. Close the report window.



NOTES

Making Estimates Inactive

Once a customer has accepted one of the estimates for the job and you have started work, you might want to make the unaccepted estimate inactive. When you make an estimate inactive, QuickBooks keeps a record of it but does not use the numbers in reports.

To mark an estimate inactive:

- 1. From the **Customer Center**, open the estimate you wish to inactivate.
- 2. Click the Mark as Inactive icon at the top of the estimate.
- 3. Click Save & Close.



Estimating & Progress Invoicing – Review Activities

- 1. From the File menu in QuickBooks, choose Open or Restore Company. QuickBooks displays the Open or Restore Company window.
- 2. Select Restore a backup copy and click Next.
- 3. Select Local backup and click Next.
- 4. In the Open Backup Copy window, navigate to the appropriate directory.
- 5. Select the qblesson.qbb file, and then click Open.
- 6. In the Open or Restore Company window, click Next.
- 7. Navigate to your directory.
- 8. In the File Name field of the Save Company File As window, type Lesson13 and then click Save.
- 9. Click OK when you see the message that the file has been successfully restored.

Review Activities

- 1. Create a new job under Brad Card called Garage
- 2. Create an estimate on the last day of the current month for the customer Brad Card: Garage for the following items:
 - \$5000 of Plans
 - \$20,000 of Concrete work
 - o \$2900 of Permits
 - o \$40,000 of Framing
 - \$25,000 of Masonry
- 3. Create Progress Invoice #1 for 33% on the 10th of next month.
- 4. Create Progress Invoice #2 for 33% on the 20th of next month.
- 5. Create Progress Invoice #3 for the remainder of the estimate on the last day of next month