



The QuickBooks® Online Newsletter

FROM THE OFFICE OF



ACCOUNTING ADVANTAGE

6276 Jackson Road, Suite B
Ann Arbor, Michigan 48103
888 503-6265 • www.AcctgAdvant.com

July 2016

Charging for Time in QuickBooks Online, Part 2

Last month, we talked about time-tracking setup, single-activity data entry, and user permissions. This month, we're exploring additional time-and-billing steps.

By now, you've set up QuickBooks Online for time tracking and entered your first timed activity. If you have employees who only need to get on the site to complete their timesheets, we showed you how to give them restricted access.

Let's start here by looking at what's involved in completing timesheets. We'll assume for this example that you are entering your *own* billable time. You can see how this screen looks by clicking the plus sign (+) at the top of the screen, then **Employees | Weekly Timesheet**. The screen looks very similar to a paper timecard.

If you had entered a single activity for a billable time block already, all of that information would appear in your timesheet for that week, once you selected your name from the drop-down list in the upper left and set the work week to the correct one in the field to the right. It would look something like this:

#	DETAILS	SUN 22	MON 23	TUE 24	WED 25
1	Adam Saraceno Social Media Consulting Business Pacific Coast Social Media Consulting		7:30		

Billable 65.00 /hr Taxable

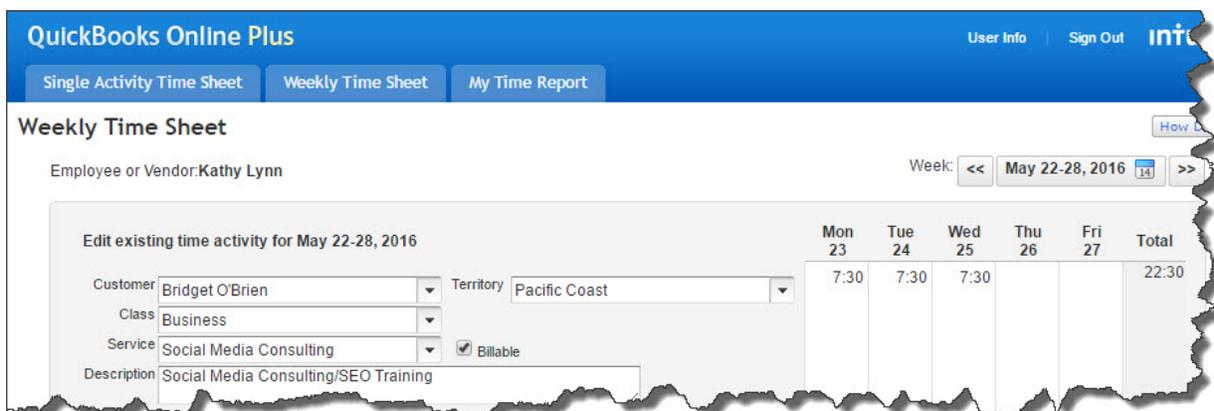
Time entries recorded as single activities automatically transfer over to that week's timesheet.

If you're going to enter your complete work week directly on the timesheet, you'd open a blank form (using the instructions above) and select your name and the time range. Next, you'd go down to the first field under **DETAILS** and select the appropriate **Customer Name** by clicking on the arrows to the right of the field to open the list. Next to that, do the same thing to choose the **Service**.

The fields below those two are earmarked for **Class** (if you assign classes) and **Territory** (or whatever **Location Label** you've chosen). *If you haven't used these and want to explore them, let's schedule a session to go over QuickBooks Online **Classes** and **Custom Fields**.*

Type a **Description** in the box below and click in the box in front of **Billable**. The hourly rate and tax status should fill in automatically. In the boxes below the correct dates (in the grid to the right), you'd enter the billable hours worked for that customer that week. If you are reporting billable time for more than one customer, or time that is *not* billable, you'll of course have to place those entries on new lines.

Employee Timesheets



The screenshot shows the QuickBooks Online Plus interface for a Weekly Time Sheet. The user is logged in as Kathy Lynn. The interface includes a navigation bar with 'Single Activity Time Sheet', 'Weekly Time Sheet', and 'My Time Report' tabs. The main content area is titled 'Weekly Time Sheet' and shows the employee name 'Kathy Lynn' and the selected week 'May 22-28, 2016'. Below this is a form for editing time activity for the week of May 22-28, 2016. The form includes fields for Customer (Bridget O'Brien), Territory (Pacific Coast), Class (Business), Service (Social Media Consulting), and a checked 'Billable' checkbox. A description field contains 'Social Media Consulting/SEO Training'. To the right of the form is a grid for entering hours worked per day, with columns for Mon 23, Tue 24, Wed 25, Thu 26, Fri 27, and a Total column. The grid shows 7:30 hours for Monday, Tuesday, and Wednesday, and a total of 22:30 hours.

	Mon 23	Tue 24	Wed 25	Thu 26	Fri 27	Total
Customer: Bridget O'Brien	7:30	7:30	7:30			22:30
Territory: Pacific Coast						
Class: Business						
Service: Social Media Consulting						
Billable: <input checked="" type="checkbox"/>						
Description: Social Media Consulting/SEO Training						

*This is part of what employees see when they log into QuickBooks Online using their **Time Tracking only** status.*

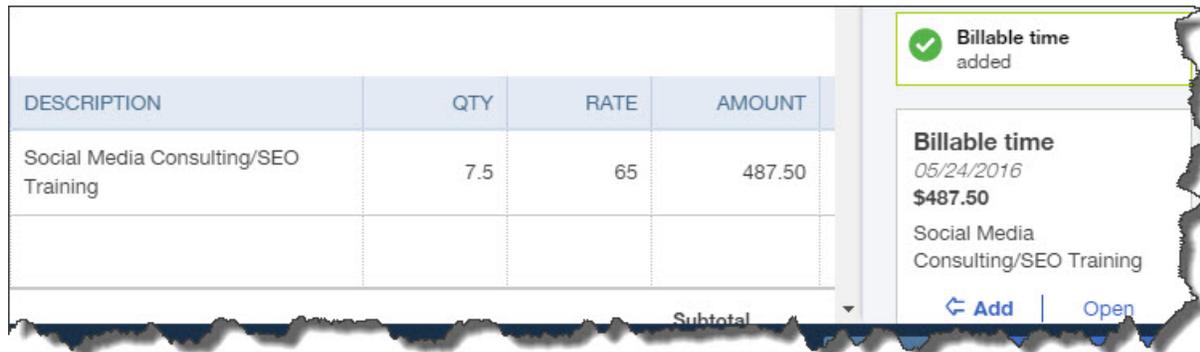
Your employees can, of course, enter hours directly on their own timesheet screens. As we discussed last month, you can choose whether to let employees see the customer's billing rate. In this example, the employee can only enter hours worked and indicate that they were billable. When you go to approve the timesheet, *you* will see the rate.

Getting Paid

As you start to create an invoice for a customer who needs to pay for services that have been included in a timesheet, look at the vertical pane to the right of the main working

screen titled **Add to invoice**. Any estimate that hasn't yet been accepted and any time that hasn't been paid for should appear in the small blocks in that pane.

You have two options here: **Add** or **Open**. Clicking on the first adds that time block to the invoice, and clicking on the second opens the original form. You can also click on the **Add all** button at the top of the pane to include the details of every entry in the invoice.



The screenshot shows a software interface with a table of billable time entries and a summary pane on the right. The table has columns for DESCRIPTION, QTY, RATE, and AMOUNT. The first row shows 'Social Media Consulting/SEO Training' with a quantity of 7.5, a rate of 65, and an amount of 487.50. The right pane shows a green checkmark and the text 'Billable time added', followed by a summary of the billable time: '05/24/2016' and '\$487.50'. Below this, the description 'Social Media Consulting/SEO Training' is repeated. At the bottom of the right pane, there are two buttons: 'Add' and 'Open'.

DESCRIPTION	QTY	RATE	AMOUNT
Social Media Consulting/SEO Training	7.5	65	487.50
Subtotal			

Billable time added

Billable time
05/24/2016
\$487.50
Social Media Consulting/SEO Training

Add | Open

When you create an invoice for a customer who has outstanding billable time, that information will appear in the right vertical pane. You can open the original transaction or click to add it to the invoice.

Time Reports

As you can see, time billing can get a little complicated when you have employees entering their own timesheets. And QuickBooks Online wants to make sure that you've billed customers for every minute that you've worked for them. So there are two reports that you should be consulting regularly. Click on **Reports** in the left vertical pane, then **All Reports** and **Review Sales**. In this list, you'll see:

- **Time Activities by Customer Detail**, and
- **Unbilled Time**.

The titles of these reports should be fairly self-explanatory. Be sure to set the correct date range before running them, though, to avoid missing anything.

Completing timesheets isn't rocket science. Nor is earmarking time blocks as billable. But due to the setup and the options involved, as well as the complications that can occur when you add employee self-service to the mix, we highly recommend that you meet with us to go over the whole process. We want to make sure that your company's time entry and timesheet configuration are right from the start.