QUICKBOOKS 2019 STUDENT GUIDE

Lesson 13

Estimating and Progress Invoicing

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Intuit, Inc.
5100 Spectrum Way
Mississauga ON. L4W 5S2

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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.

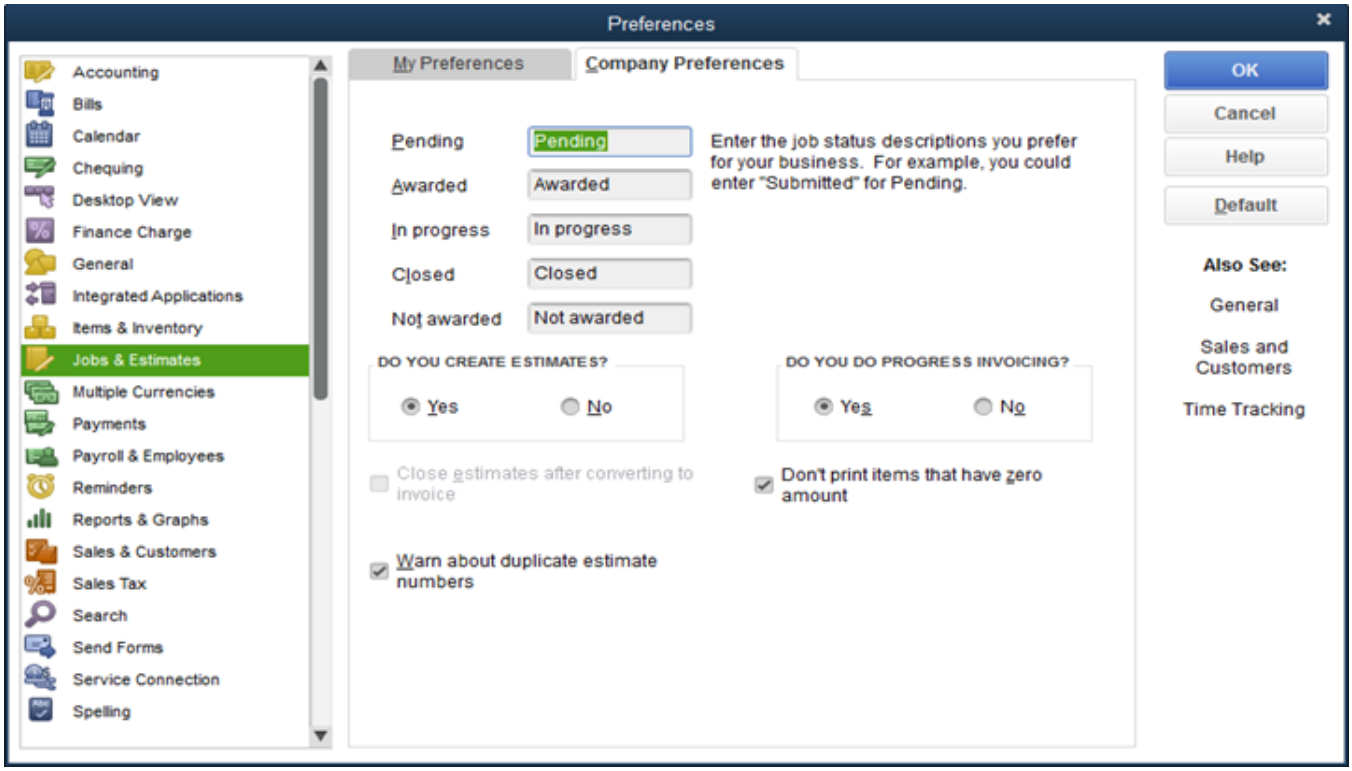
Estimates

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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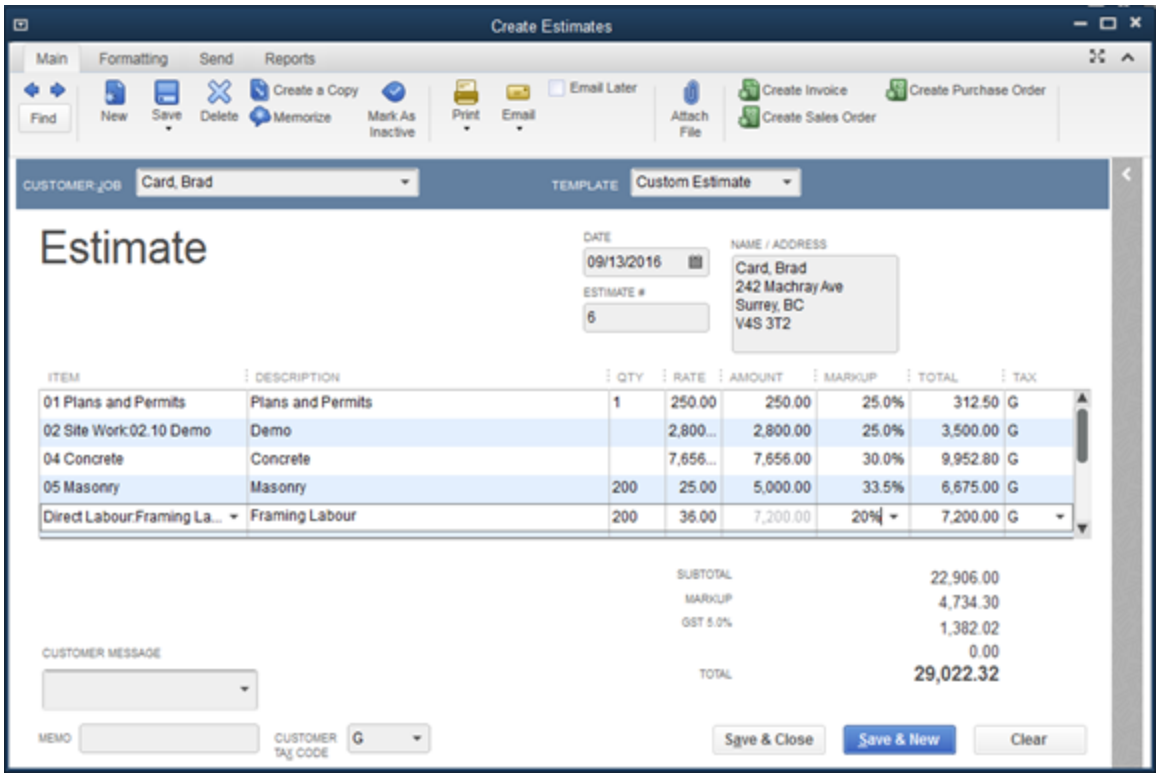
Create Estimates

To create an estimate from the Customer Centre:

7. From **Home Page** click **Estimates.**
8. Choose the **Customer:Job**.
9. 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.

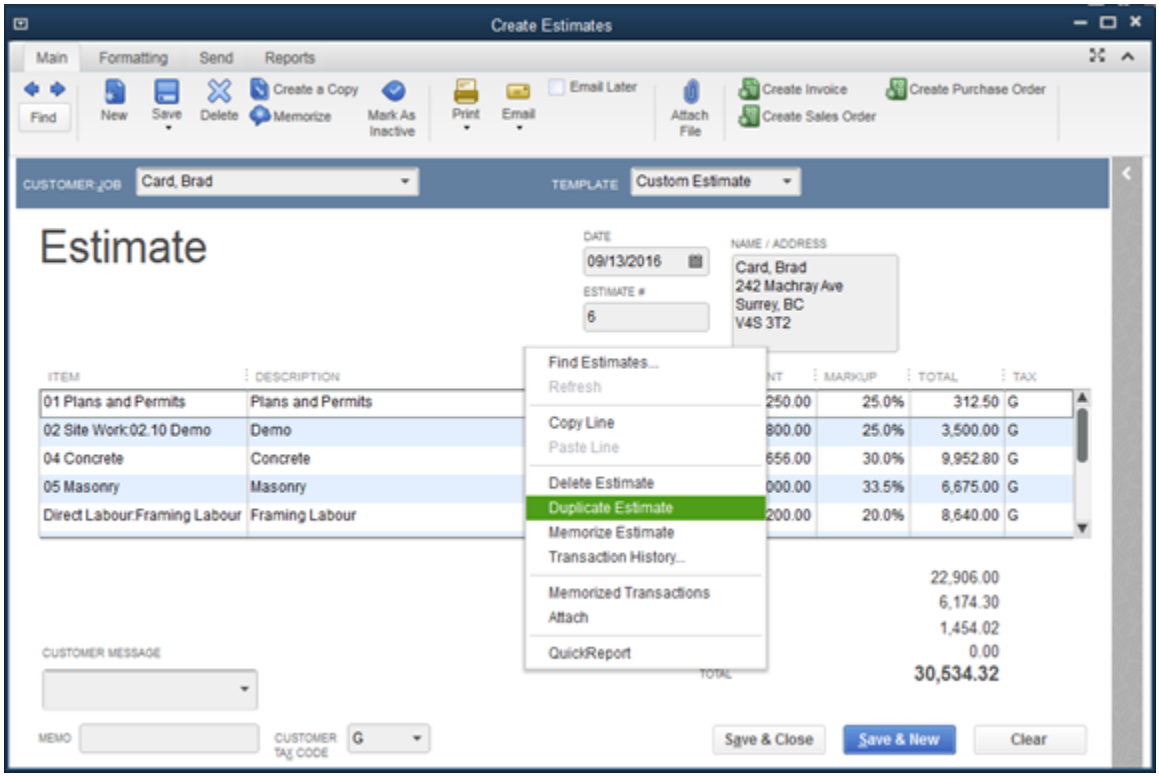


NOTES

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**.



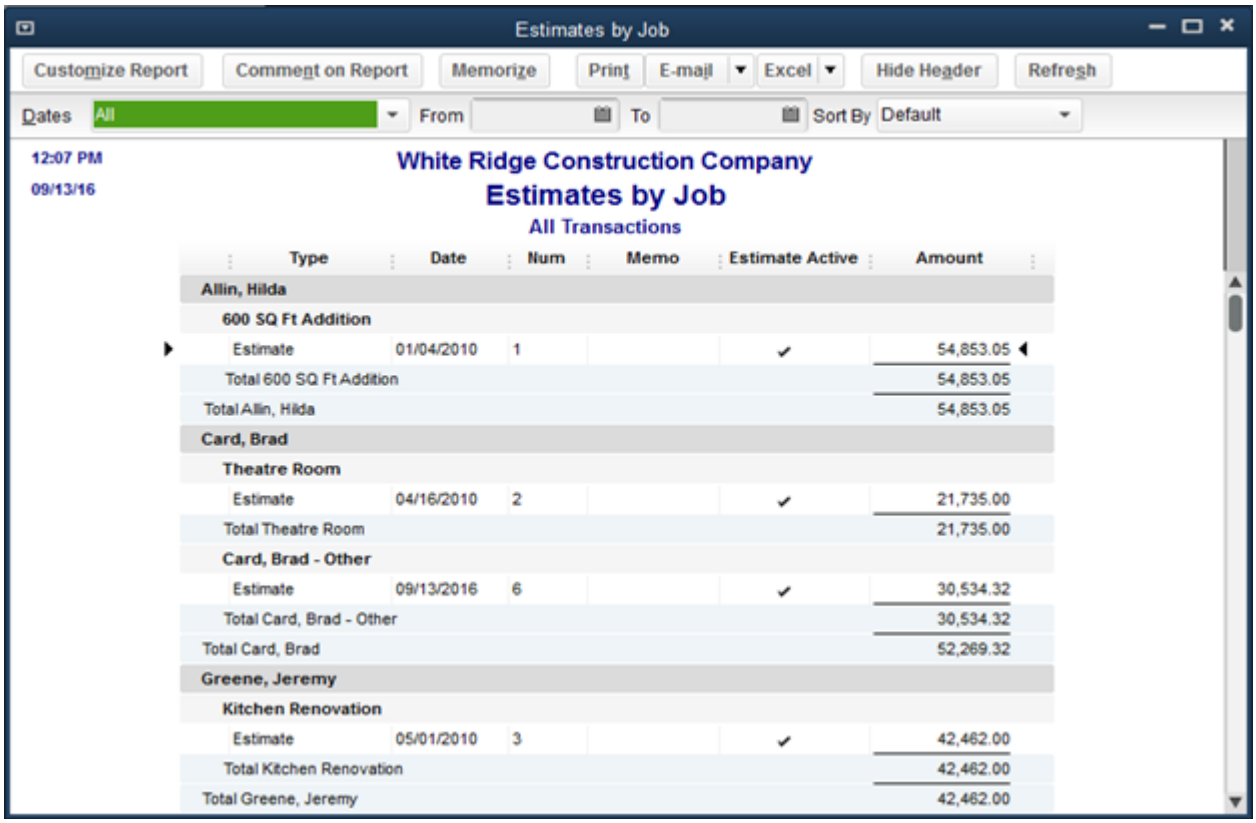
NOTES

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



Type	Date	Num	Memo	Estimate Active	Amount
Allin, Hilda					
600 SQ Ft Addition					
Estimate	01/04/2010	1		✔	54,853.05
Total 600 SQ Ft Addition					54,853.05
Total Allin, Hilda					54,853.05
Card, Brad					
Theatre Room					
Estimate	04/16/2010	2		✔	21,735.00
Total Theatre Room					21,735.00
Card, Brad - Other					
Estimate	09/13/2016	6		✔	30,534.32
Total Card, Brad - Other					30,534.32
Total Card, Brad					52,269.32
Greene, Jeremy					
Kitchen Renovation					
Estimate	05/01/2010	3		✔	42,462.00
Total Kitchen Renovation					42,462.00
Total Greene, Jeremy					42,462.00

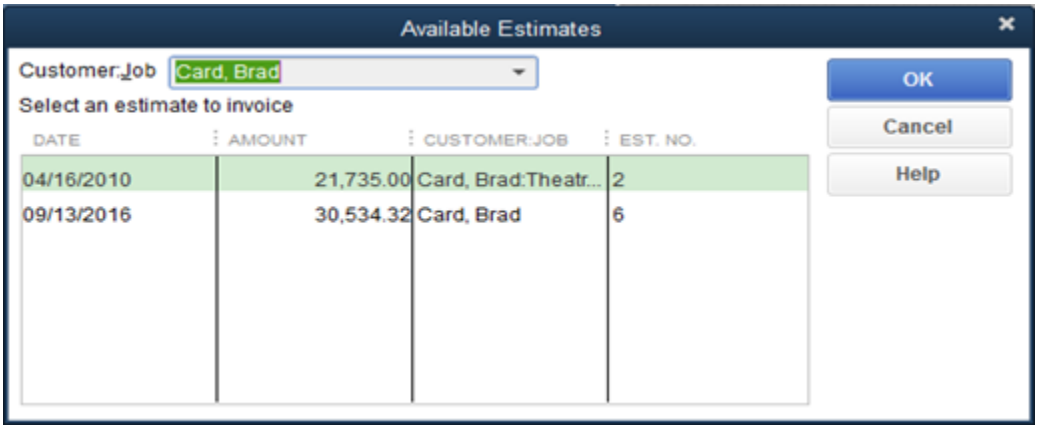
Creating an Invoice from an Estimate

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

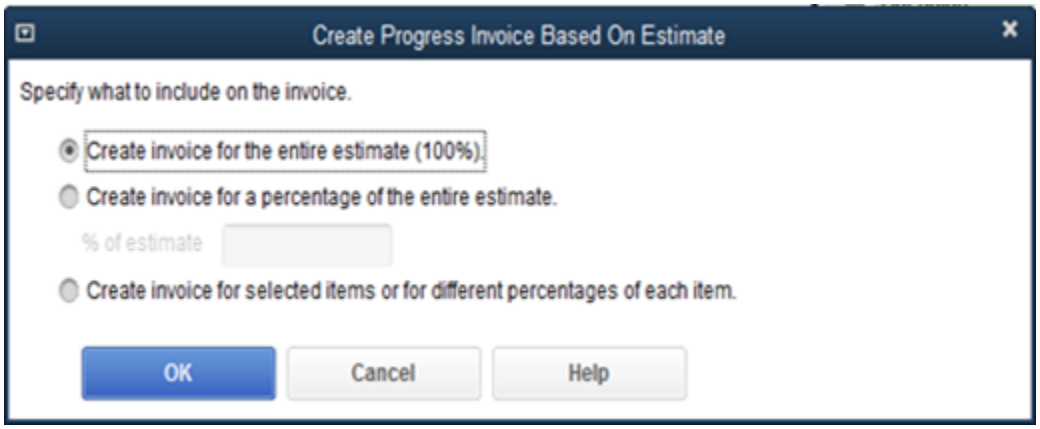
Progress invoicing (also known as progress billing) lets you invoice for jobs you complete in phases. When using progress invoicing, you start by creating an estimate for the job. As you complete each phase, you can easily transfer items from the original estimate to an invoice.

To create an invoice for 100% of an Estimate:

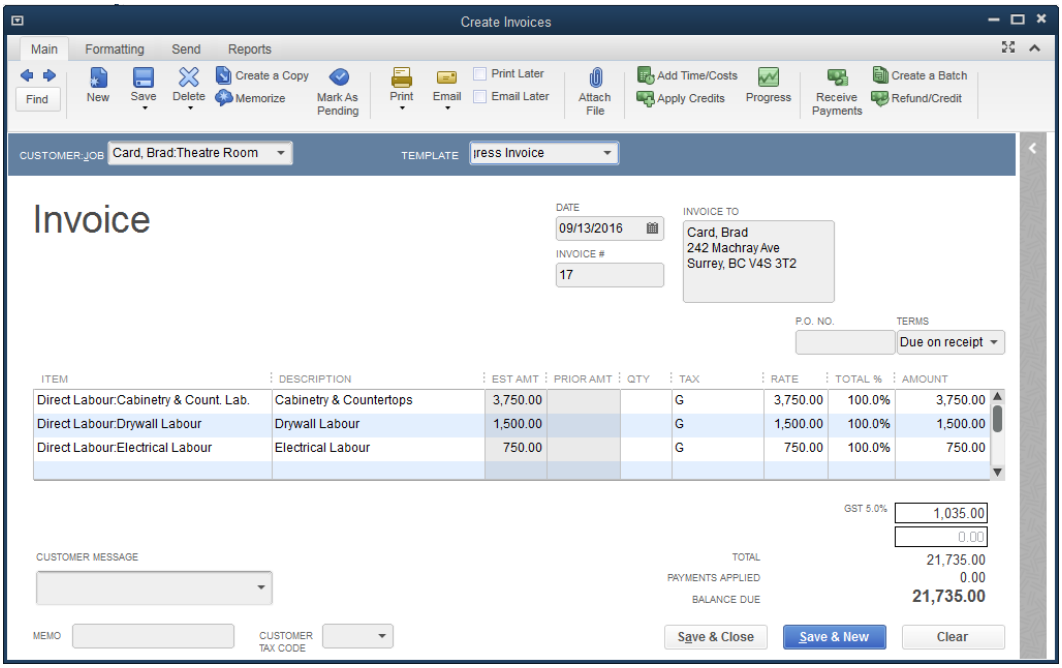
1. From the **Home Page**, click **Create Invoices.**
2. Choose the **Customer: Job** name.
3. QuickBooks displays the **Available Estimates** window. From this window click the Estimate you'd like to convert to an invoice.
4. Click **OK.**



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**.

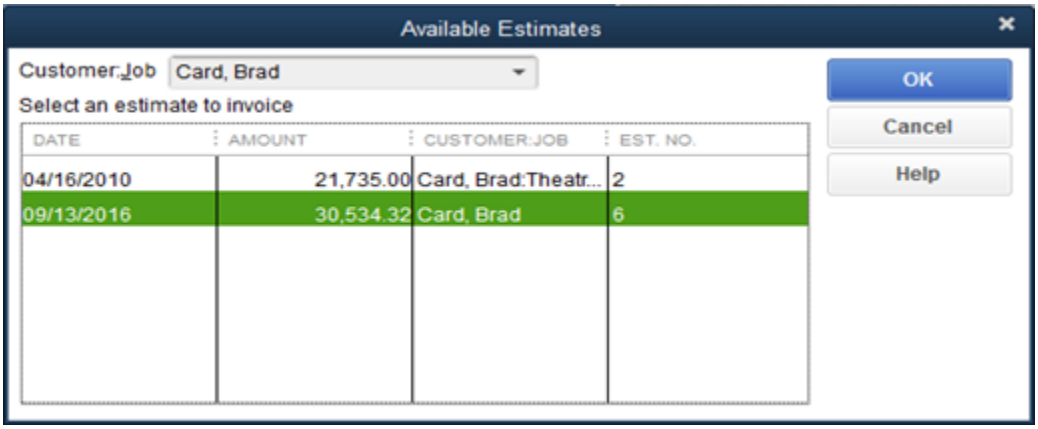


8. You may choose to use a different invoice template for progress invoices, in which case you would select the appropriate template from the **Template** drop-down.
9. Click **Save & Close** to record the invoice.

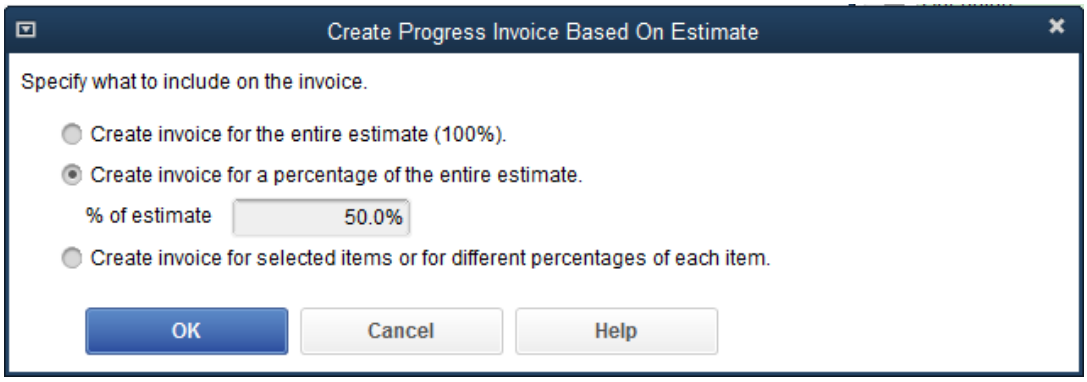


To create an invoice for % of an Estimate:

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.**



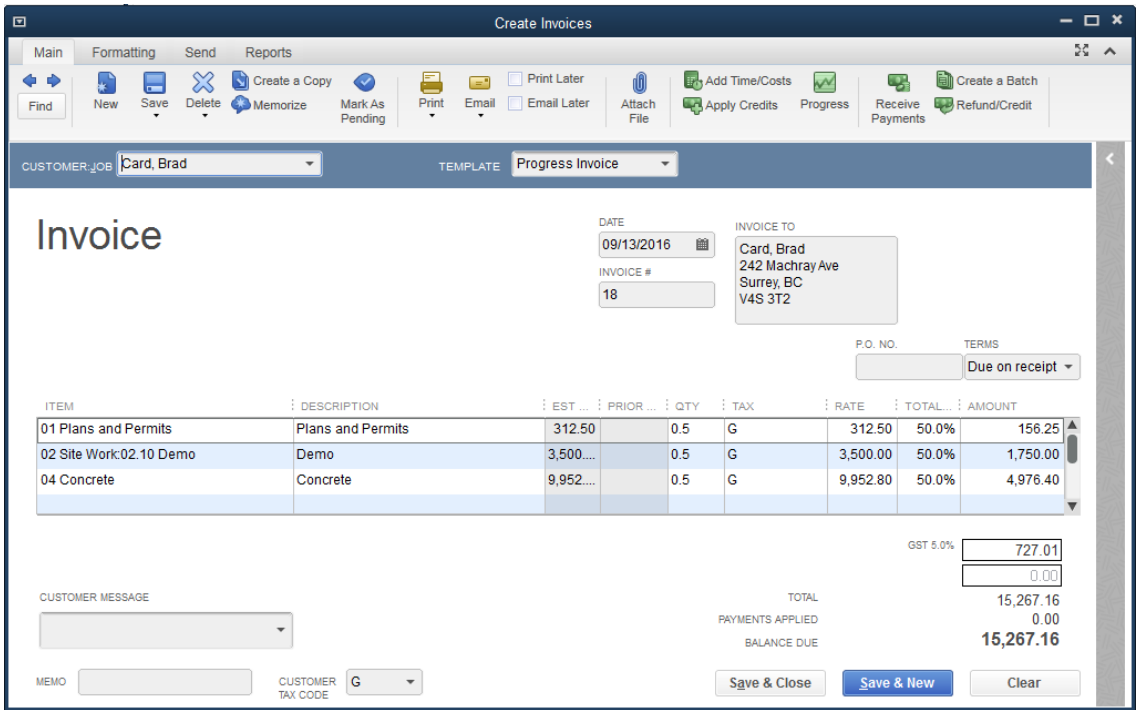
5. Select **Create invoice for a percentage of the entire estimate**.



6. Enter the percentage you wish to bill for in the **% of estimate** field.

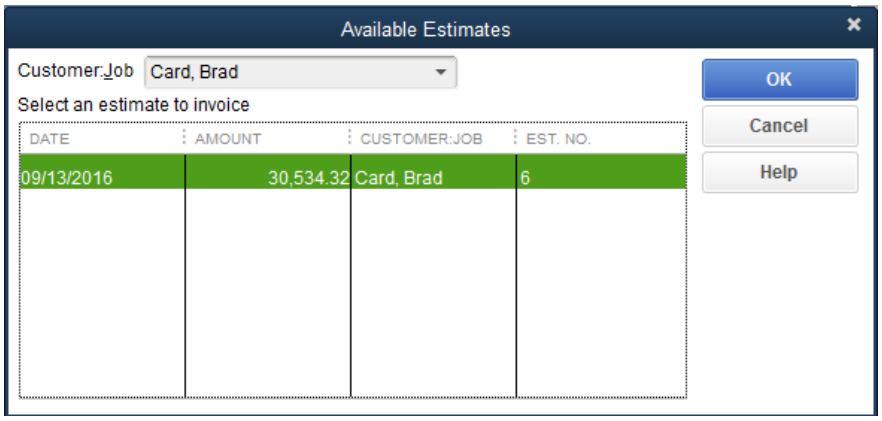
7. Click **OK**.

8. Click **Save & Close.**

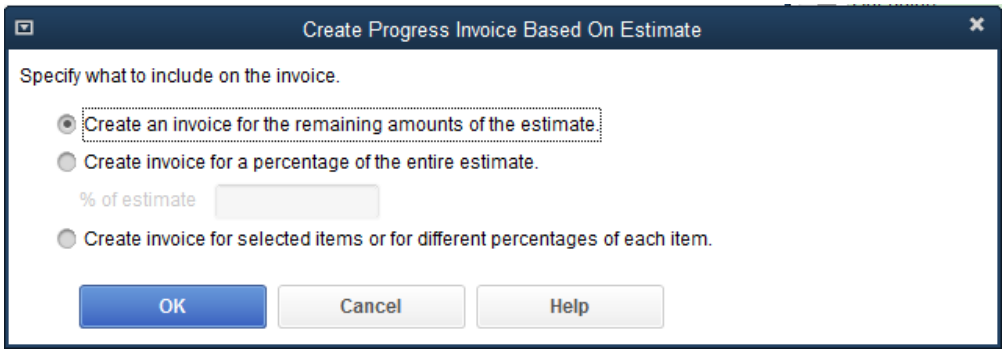


9. Repeat the process for the additional phase of invoicing.

10. Click **OK.**



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



12. Click **OK.**

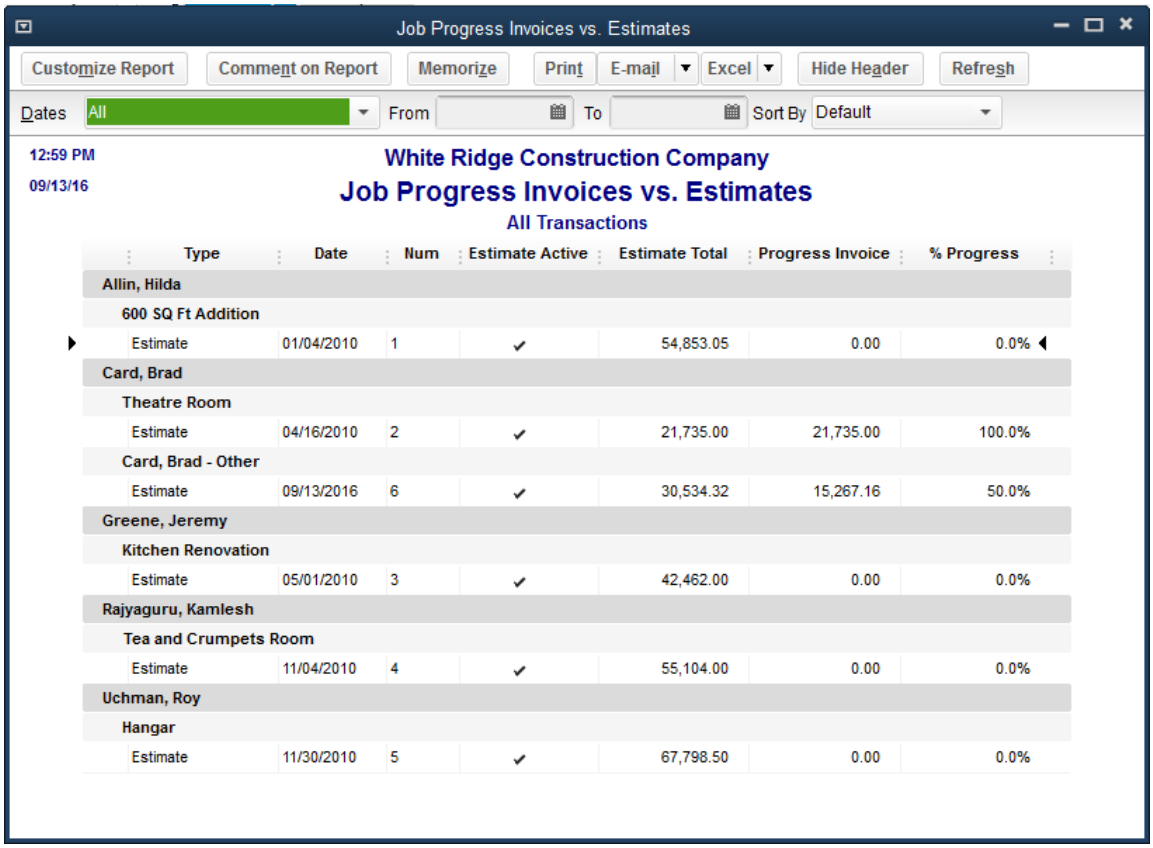
13. Click **Save & Close** to complete the final invoice.

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**.



Type	Date	Num	Estimate Active	Estimate Total	Progress Invoice	% Progress
Allin, Hilda						
600 SQ Ft Addition						
Estimate	01/04/2010	1	✓	54,853.05	0.00	0.0%
Card, Brad						
Theatre Room						
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, Jeremy						
Kitchen Renovation						
Estimate	05/01/2010	3	✓	42,462.00	0.00	0.0%
Rajyaguru, Kamlesh						
Tea and Crumpets Room						
Estimate	11/04/2010	4	✓	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 Centre**, open the estimate you wish to inactivate.
2. Click the **Mark as Inactive** icon at the top of the estimate.
3. Click **Save & Close**.

NOTES

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. Enter the **Password: QBDT2019!**
10. 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
    - $2900 of Permits
    - $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