



## 4-9-2014 QuickBooks for Contractors hangout

In this hangout we talked about creating Estimates and using Progress Invoices in QuickBooks when you have Time & Materials or Cost Plus Jobs.

Unfortunately, the Screen Share feature in Google+ doesn't allow the capture of many of the popup windows in QuickBooks that were talked about during the hangout, so I've put together this article to go along with the video.

### Reports that were mentioned during the hangout & where to find them:

1. Job Estimates vs Actuals Detail: found from the Reports menu -> Jobs, Time & Mileage -> Job Estimates vs Actuals Detail -> Select the job that you want to review
2. Time by Job Detail: found from the Reports menu -> Jobs, Time & Mileage -> Time by Job Detail -> customize this report to display only a specific job (instructions will follow later in this article)
3. Unbilled Costs by Job: found from the Reports menu -> Jobs, Time & Mileage -> Unbilled Costs by Job -> customize the report to display only a specific job and then filter it for only specific transactions (instruction will follow later in this article)

### Customizing the Time by Job Detail Report:

Start by going to the Reports menu -> Jobs, Time & Mileage -> Time by Job Detail -> Set the Date dropdown to All -> click the Customize Report button on the upper left.

On the Display tab, using the Columns scroll box, scroll down and check (select) Payroll Item

Next, click on the Filters tab. Using the Filter scroll box, scroll to Customer:Job. In the Customer:Job dropdown, select Multiple Customers/jobs and then in the Select Customer:Job window, check (select) the specific Job. Click Ok.

The screenshot shows the 'Modify Report: Time by Job Detail' window with the 'Filters' tab active. In the 'CHOOSE FILTER' section, 'Customer:Job' is selected in the filter scroll box. The dropdown menu for 'Customer:Job' shows 'Multiple customers/jobs...' selected. A 'Select Customer:Job' dialog box is open, showing a list of customer jobs. 'Jim & Sue Durand' is selected with a checkmark. Other options include 'Overhead', 'QuickBooks Customer=General Contractor', 'AIA Training Exercise', and 'QuickBooks Job Record=Project'. The 'OK' button is visible at the bottom of the dialog.

**Not mentioned in the hangout:** You can further customize this report to only show unbilled time associated with this job by clicking on Billing Status in the Filter scroll box and choosing the Unbilled option.

The screenshot shows the 'Modify Report: Time by Job Detail' window with the 'Filters' tab active. In the 'CHOOSE FILTER' section, 'Billing Status' is selected in the filter scroll box. The 'Billing Status' radio button options show 'Unbilled' selected. The 'CURRENT FILTER CHOICES' table shows the following filters applied:

FILTER	SET TO
Customer:Job	Multiple customers/jobs...
Billing Status	Unbilled

Buttons for 'Remove Selected Filter', 'Revert', 'OK', 'Cancel', and 'Help' are visible at the bottom.

Lastly, click on the Header/Footer tab. Click into the Report title field and add the job name to the information already there. Click Ok.

Modify Report: Time by Job Detail

Display Filters **Header/Footer** Fonts & Numbers

SHOW HEADER INFORMATION

☒ Company Name Sunburst & TSheets

☒ Report Title **Durand Job - Time by Job Detail**

☒ Subtitle All Transactions

☒ Date Prepared 12/31/01

☒ Time Prepared

☒ Print header on pages after first page

SHOW FOOTER INFORMATION

☒ Page Number Page 1

☒ Extra Footer Line

☒ Print footer on first page

PAGE LAYOUT

Alignment Standard

Time Company  
Date Title  
Basis Subtitle

Item/Exp Description	May 2009
Ordinary Income	
Car allowance	0.00
Consulting fee	0.00
Dividends	
Rents	0.00
Other Dividends	0.00
Total Dividends	0.00
Draw - PC Salary	0.00
Gifts Received	0.00
Interest Earned	11.55
Rental Income	0.00
Salaries	
Rents	0.00
Profit Sharing	0.00
Other Salaries	5,873.52
Total Salaries	5,873.52

Extra Line Page

Revert

OK Cancel Help



## Customizing the Unbilled Costs by Job Report:

Start by going to the Reports menu -> Jobs, Time & Mileage -> Unbilled Costs by Job -> click the Customize Report button at the upper left.

On the Display tab, using the Columns scroll box, scroll down and check (select) Item and uncheck Account

The screenshot shows the 'Modify Report: Unbilled Costs by Job' window with the 'Display' tab selected. The 'REPORT DATE RANGE' section has 'Dates' set to 'All' and 'From' and 'To' date pickers. The 'REPORT BASIS' section has 'Accrual' selected. The 'COLUMNS' section has a scroll box with 'Item' checked and 'Account' unchecked. The 'Total by' dropdown is set to 'Customer', and the 'Sort by' dropdown is set to 'Default'. The 'Sort in' section has 'Ascending order' selected. The 'Advanced...' and 'Revert' buttons are visible. The 'OK', 'Cancel', and 'Help' buttons are at the bottom.

Next, click on the Filters tab. Using the Filter scroll box, scroll to Name. In the Name dropdown, select Multiple Names and then in the Select Name window, check (select) the specific Job. Click Ok.

The screenshot shows the 'Modify Report: Unbilled Costs by Job' window with the 'Filters' tab selected. The 'CHOOSE FILTER' section has 'Name' selected in the 'FILTER' dropdown. The 'Name' dropdown is set to 'Multiple names...'. The 'CURRENT FILTER CHOICES' section has 'Account' and 'Multiple accounts...'. The 'Select Name' window is open, showing a list of names with 'Jim & Sue Durand' selected. The 'Manual' radio button is selected. The 'Apply' button is visible. The 'OK', 'Cancel', and 'Help' buttons are at the bottom.

Still in the Filter scroll box, scroll to Transaction Type. In the Transaction Type dropdown, select Multiple Transaction Types and then in the Select Transaction Types window check (select) the following options: Credit Card, Bill, CCard Credit, Bill Credit, and CCard Refund. Click Ok.

Modify Report: Unbilled Costs by Job

Display Filters Header/Footer Fonts & Numbers

CHOOSE FILTER

FILTER

- Item
- Memo
- Name
- Number
- TransactionType

TRANSACTIONTYPE FILTER

Choose the type of transaction to filter by. You can select several transaction types.

TransactionType

Multiple Transaction Types

CURRENT FILTER CHOICES

FILTER : SET TO

Account Multiple accounts...

except summary

ected Filter

Revert

OK Cancel Help

Select Transaction Types

Select the Transaction Types from the list, then click OK.

OK Cancel

✓Credit Card  
✓Bill  
✓CCard Credit  
✓Bill Credit  
✓CCard Refund  
Bill Payment

Tell me more...

Lastly, click on the Header/Footer tab. Click into the Report title field and add the job name to the information already there. Click Ok.

Modify Report: Unbilled Costs by Job

Display Filters Header/Footer Fonts & Numbers

SHOW HEADER INFORMATION

☒ Company Name Sunburst & TSheets

☒ Report Title Durand Job -Unbilled Costs

☒ Subtitle All Transactions

☒ Date Prepared 12/31/01

☒ Time Prepared

☒ Report Basis

☒ Print header on pages after first page

SHOW FOOTER INFORMATION

☒ Page Number Page 1

☒ Extra Footer Line

☒ Print footer on first page

Revert

OK Cancel Help

PAGE LAYOUT

Alignment

Standard

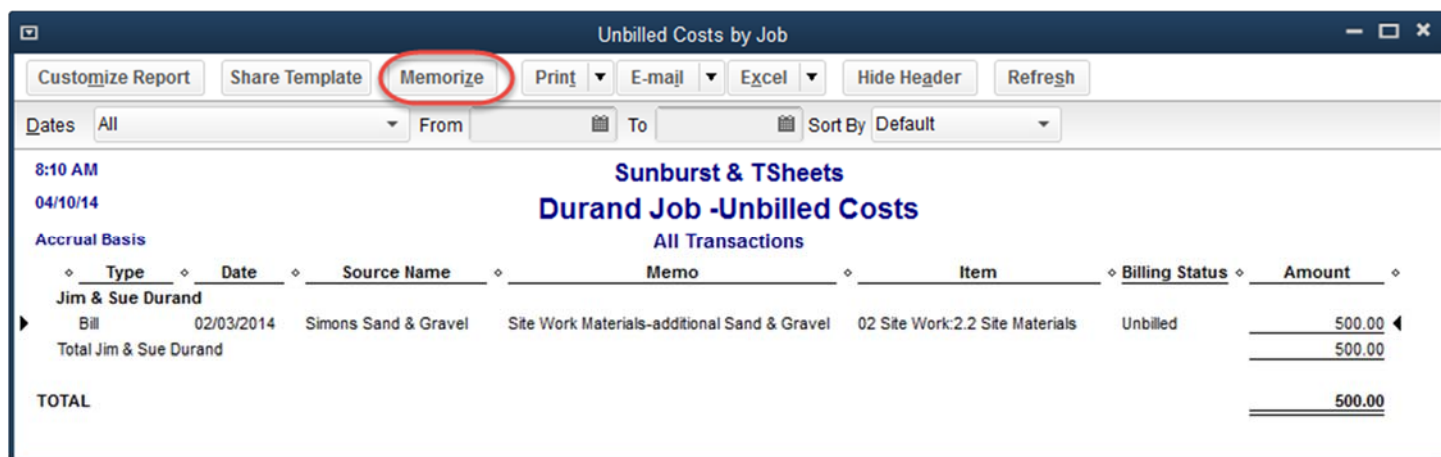
Time Company  
Date Title  
Basis Subtitle

Item/Description	Qty	Unit
Ordinary Income	0.00	
Car Allowance	0.00	
Consulting Fee	0.00	
Disburse	0.00	
Other - Disburse	0.00	
Total - Disburse	0.00	
Draw - PCHS	0.00	
Gifts Received	0.00	
Interest Received	0.00	
Refund	0.00	
Salary	0.00	
Other - Salary	0.00	
Total - Salary	0.00	

Extra Line Page



You now have your final report showing unbilled costs associated with this specific job. The last step is to click the Memorize button and save the report so you don't have to go through the modification process each month when it's time to do billing.



**Unbilled Costs by Job**

Customize Report Share Template **Memorize** Print E-mail Excel Hide Header Refresh

Dates All From To Sort By Default

8:10 AM  
04/10/14

**Sunburst & TSheets**  
**Durand Job -Unbilled Costs**

Accrual Basis All Transactions

Type	Date	Source Name	Memo	Item	Billing Status	Amount
<b>Jim &amp; Sue Durand</b>						
Bill	02/03/2014	Simons Sand & Gravel	Site Work Materials-additional Sand & Gravel	02 Site Work:2.2 Site Materials	Unbilled	500.00
Total Jim & Sue Durand						500.00
<b>TOTAL</b>						<b>500.00</b>

NOTE: Source Name is your Vendor or Subcontractor, Memo is the item description from the bill, and Item is the QuickBooks Item or Cost Code that the bill was assigned to.

Check your reports closely to make sure that nothing is missing - that could be a data entry error.

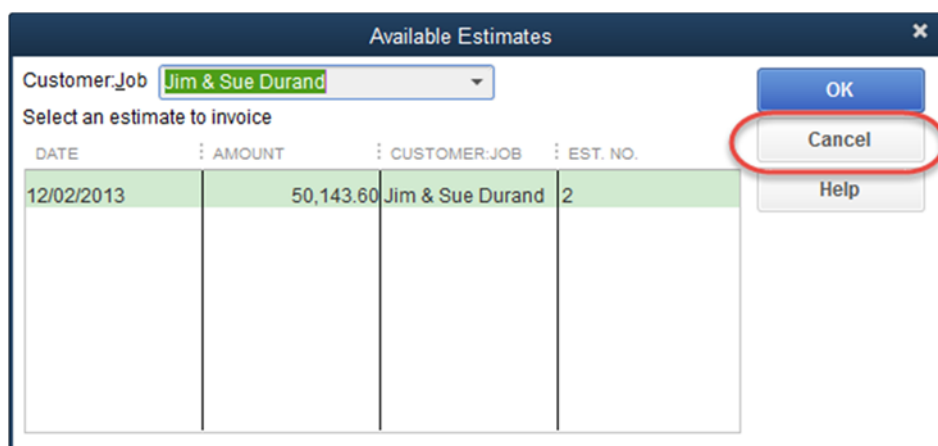
## Getting Ready to Invoice:

Time & Materials or Cost Plus Invoicing when you use an Estimate is a 2-step process.

### Step 1:

Create a normal invoice and pull in billable time and costs.

From the Customer Center in QuickBooks click on the job that you want to bill and then click New Transactions -> Invoices. QuickBooks will display the Available Estimates window - for now click the Cancel button



**Available Estimates**

Customer: Job **Jim & Sue Durand**

Select an estimate to invoice

DATE	AMOUNT	CUSTOMER:JOB	EST. NO.
12/02/2013	50,143.60	Jim & Sue Durand	2

OK  
**Cancel**  
Help

Next, the Billable Time/Costs window will appear, choose the Select the outstanding billable time and costs to add to this invoice option and click the Ok button.

**Billable Time/Costs**

The customer or job you've selected has outstanding billable time and/or costs.

Do you want to:

☒ Select the outstanding billable time and costs to add to this invoice?

☐ Exclude outstanding billable time and costs at this time? (You may add these later by clicking the Add Time/Costs button at the top of the invoice.)

☐ Save this as a preference.

**OK** **Help**

This displays the Choose Billable Time and Costs window which has 4 different tabs:

#### Time tab:

Click the Options button and select Combine activities with the same service item and rate (this will give you the total number of hours worked per service item/cost code) → click Ok

**Choose Billable Time and Costs**

Time and Costs For: **Jim & Sue Durand**

Time \$0.00 Expenses \$0.00 Mileage \$0.00 Items \$0.00

Select All

Click on Options... to customize how information from timesheets is brought into QuickBooks invoices

**Options...**

DATE	EMPLOYEE	SERVICE ITEM	HOURS	RATE	AMOUNT	DESCRIPTION	HIDE
02/03/2014	Supervisor, Sam L.	29 Supervision	4.00	0.00	0.00	Supervision	
02/03/2014	Bulldozer, Benjamin J	03 Demolition:3.1 De...	8.00	0.00	0.00	Demolition Labor	
02/03/2014	Trucker, Tammi T					Site Work Labor	
02/03/2014	Tractor, John J					Site Work Labor	
02/03/2014	Backhoe, Frederick F					Excavation Labor	
02/04/2014	Trucker, Tammi T					Site Work Labor	
02/04/2014	Tractor, John J					Site Work Labor	
02/04/2014	Bulldozer, Benjamin J					Demolition Labor	
02/04/2014	Supervisor, Sam L.					Supervision	
02/05/2014	Tractor, John J					Site Work Labor	

☐ Print selected time and costs as one invoice item

**Options for Transferring Billable Time**

When transferring billable time to an invoice:

☐ Enter a separate line on the invoice for each activity

☐ Transfer activity notes

☐ Transfer item descriptions

☐ Transfer both notes and descriptions

☒ Combine activities with the same service item and rate

**OK** **Cancel** **Help**

Now select ALL of the time for the specific date range that you will be billing and click the OK button.

**Choose Billable Time and Costs**

Time and Costs For: **Jim & Sue Durand**

Time \$0.00 Expenses \$0.00 Mileage \$0.00 Items \$0.00

Select All

Click on Options... to customize how information from timesheets is brought into QuickBooks invoices

**Options...**

DATE	EMPLOYEE	SERVICE ITEM	HOURS	RATE	AMOUNT	NOTES	HIDE
02/04/2014	Trucker, Tammi T	02 Site Work:2.1 Site ...	8.00	0.00	0.00		
02/04/2014	Tractor, John J	02 Site Work:2.1 Site ...	8.00	0.00	0.00		
02/04/2014	Bulldozer, Benjamin J	03 Demolition:3.1 De...	8.00	0.00	0.00		
02/04/2014	Supervisor, Sam L.	29 Supervision	4.00	0.00	0.00		
02/05/2014	Tractor, John J	02 Site Work:2.1 Site ...	8.00	0.00	0.00		
02/05/2014	Trucker, Tammi T	02 Site Work:2.1 Site ...	8.00	0.00	0.00		
02/05/2014	Supervisor, Sam L.	29 Supervision	4.00	0.00	0.00		
02/06/2014	Supervisor, Sam L.	29 Supervision	4.00	0.00	0.00		
02/06/2014	Tractor, John J	02 Site Work:2.1 Site ...	8.00	0.00	0.00		
02/07/2014	Supervisor, Sam L.	29 Supervision	4.00	0.00	0.00		

☐ Print selected time and costs as one invoice item

**OK** **Cancel** **Help**

Total billable time and costs 0.00

This is what your invoice will look like - you'll see the total number of hours (in the QTY column) for each specific service item. Click the Add Time/Costs button.





So here's what our invoice looks like. Total hours worked under each Service Item/Cost Code and then Materials totals for each Service Item/Cost Code.

[illegible]

Here is the important pieces

Click the Save & Close button to save the invoice (this successfully removes all the billed items from your reports and changes their statuses to billed).

Print the Invoice so you have a hard copy.

Delete the invoice.

Create Invoices

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add Time/Costs Apply Credits Receive Payments Refund/Credit Online Pay

CUSTOMER\_JOB Jim & Sue Durand TEMPLATE Progress Invoice

# Invoice

DATE 04/13/2014 INVOICE # 6

BILL TO Jim & Sue Durand  
2471 Dane Hill Road  
West Charleston, VT 058

P.O. NO. TERMS

Right click anywhere on the invoice and choose Delete Invoice

ITEM	EST AMT	PRIOR A	QTY	RATE	TOT...	AMOUNT
29 Supervision			20	0.00		0.00
03 Demolition:3.1 Demo Lab			16	0.00		0.00
02 Site Work:2.1 Site Labor			56	0.00		0.00
04 Excavation:4.1 Excavation			4	0.00		0.00
02 Site Work:2.2 Site Material			1	500.00		500.00

ONLINE PAY Off

CUSTOMER MESSAGE

MEMO

TOTAL 500.00  
PAYMENTS APPLIED 0.00  
BALANCE DUE 500.00

Save & Close Save & New Revert

## Step 2: Create a Progress Invoice from the Estimate

Now you are ready to create a Progress Invoice from the Estimate so that everything lines up correctly.

From the Customer Center in QuickBooks click on the job that you want to bill and then click New Transactions -> Invoices. QuickBooks will display the Available Estimates window - this time, click the OK button

Available Estimates

Customer Job Jim & Sue Durand

Select an estimate to invoice

DATE	AMOUNT	CUSTOMER JOB	EST. NO.
12/02/2013	50,143.60	Jim & Sue Durand	2

OK Cancel Help

QuickBooks displays the Create Progress Invoice Based on Estimate window - choose the last option - Create invoice for selected items or for different percentages of each item.

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

Use the Invoice that you previously deleted to enter the quantities for hours billed and the amount for materials that you are currently billing. Click OK.

Item	Description	Est Amt	Prior Amt	Prior %	Qty	Rate	Curr %	Total %	Amount
29 Super...	Supervision				20	0.00			0.00
3.1 Dem...	Demolition Labor				16	0.00			0.00
2.1 Site ...	Site Work Labor				56	0.00			0.00
4.1 Exca...	Excavation Labor				4	0.00			0.00
2.2 Site ...	Site Work Materials				1	500.00			500.00

Specify Invoice Amounts for Items on Estimate

Progress Invoice for: Jim & Sue Durand

For each item below, specify the quantity, rate, amount or % of the estimate amount to have on the invoice.

☒ Show Quantity and Rate ☐ Show Percentage

OK Cancel Help

ITEM	EST ...	EST ...	EST AMT	PRIOR...	PRIOR AMT	QTY	RATE	AMOUNT
02 Site Work:2.1 Site Labor	250	40.00	10,000.00	148	5,920.00	56	40.00	2,240.00
02 Site Work:2.2 Site Materials		2,000.00	2,000.00	0.5	1,000.00	0.0025	200,000.00	500.00
03 Demolition:3.1 Demo Labor	150	45.88	6,882.00	70	3,211.60	16	45.88	734.08
04 Excavation:4.1 Excavation Labor	50	62.50	3,125.00	0		4	62.50	250.00
04 Excavation:4.4 Excavation Eq R...	2	35.00	70.00	2	70.00	0	35.00	0.00
31 Tractor - Compact	100	14.51	1,451.00	0		0	14.51	0.00
			23,528.00					3,724.08
29 Supervision	200	75.22	15,044.00	38.5	2,895.97	20	75.22	1,504.40
Total								6,797.02

Note: All items will transfer to the invoice. The quantities and amount will be as you indicated. Although items with a zero amount display on screen, they can be set not to print from the Jobs and Estimates Preferences.

Here's your progress invoice complete with the automatic billing of Overhead & Profit.

CUSTOMER\_JOB

Jim & Sue Durand

TEMPLATE

Progress Invoice

# Invoice

DATE

04/13/2014

INVOICE #

7

BILL TO

Jim & Sue Durand

2471 Dane Hill Road

West Charleston, VT 058

P.O. NO.

TERMS

ITEM	DESCRIPTION	EST AMT	PRIOR A...	QTY	RATE	TOT...	AMOUNT
02 Sitework, Demo, Excavation				0			
02 Site Work:2.1 Site Labor	Site Work Labor	10,000.00	5,920.00	56	40.00	81.60%	2,240.00
02 Site Work:2.2 Site Materials	Site Work Materials	2,000.00	1,000.00	0.0025	200,000.00	75.0%	500.00
03 Demolition:3.1 Demo Labor	Demolition Labor	6,882.00	3,211.60	16	45.88	57.33%	734.08
04 Excavation:4.1 Excavation Labor	Excavation Labor	3,125.00		4	62.50	8.0%	250.00
04 Excavation:4.4 Excavation Eq Rental	Excavation Equipment Rental	70.00	70.00	0	35.00	100.0%	0.00
31 Tractor - Compact	To record hourly equipment cost of the jobsite of the compact tractor	1,451.00		0	14.51	0.0%	0.00
	Sitework, demolition, excavation and equipment	23,528.00					3,724.08
29 Supervision	Supervision	15,044.00	2,895.97	20	75.22	29.25%	1,504.40
Subtotal	Subtotal of Above	38,572.00					5,228.48
98 O&P	Overhead & Profit on Time & Materials or Cost Plus Jobs	11,571.60	3,929.27		30.0%	47.51%	1,568.54

ONLINE PAY

Off

CUSTOMER MESSAGE

MEMO

TOTAL

6,797.02

PAYMENTS APPLIED

0.00

BALANCE DUE

6,797.02

Save & Close

Save & New

Clear

Now when I look at my Job Estimates vs Actuals Details, I can see how much I've budgeted for the job, what it has actually cost to date, what I've billed for the job and how much I've earned in Overhead & Profit.

Job Estimates vs. Actuals Detail for Jim & Sue Durand						
Customize Report   Share Template   Memorize   Print   E-mail   Excel   Hide Header   Collapse   Refresh						
Dates	All	From		To		Columns   Total only
3:16 PM 04/13/14 <b>Sunburst &amp; TSheets</b> <b>Job Estimates vs. Actuals Detail for Jim &amp; Sue Durand</b> All Transactions						
	Est. Cost	Act. Cost	(\$ Diff.	Est. Revenue	Act. Revenue	(\$ Diff.
Service						
02 Site Work						
2.1 Site Labor	10,000.00	8,004.51	-1,995.49	10,000.00	8,160.00	-1,840.00
2.2 Site Materials	<u>2,000.00</u>	<u>1,500.00</u>	<u>-500.00</u>	<u>2,000.00</u>	<u>1,500.00</u>	<u>-500.00</u>
Total 02 Site Work	12,000.00	9,504.51	-2,495.49	12,000.00	9,660.00	-2,340.00
03 Demolition						
3.1 Demo Labor	<u>6,882.00</u>	<u>5,179.37</u>	<u>-1,702.63</u>	<u>6,882.00</u>	<u>3,945.68</u>	<u>-2,936.32</u>
Total 03 Demolition	6,882.00	5,179.37	-1,702.63	6,882.00	3,945.68	-2,936.32
04 Excavation						
4.1 Excavation Labor	3,125.00	231.61	-2,893.39	3,125.00	250.00	-2,875.00
4.4 Excavation Eq Rental	<u>70.00</u>	<u>70.00</u>	<u>0.00</u>	<u>70.00</u>	<u>70.00</u>	<u>0.00</u>
Total 04 Excavation	3,195.00	301.61	-2,893.39	3,195.00	320.00	-2,875.00
29 Supervision	15,044.00	3,943.35	-11,100.65	15,044.00	4,400.37	-10,643.63
31 Tractor - Compact	<u>1,451.00</u>	<u>0.00</u>	<u>-1,451.00</u>	<u>1,451.00</u>	<u>0.00</u>	<u>-1,451.00</u>
Total Service	38,572.00	18,928.84	-19,643.16	38,572.00	18,326.05	-20,245.95
Other Charges						
90 Subcontractor Retainage	0.00	-100.00	-100.00	0.00	0.00	0.00
98 O&P	<u>11,571.60</u>	<u>0.00</u>	<u>-11,571.60</u>	<u>11,571.60</u>	<u>5,497.81</u>	<u>-6,073.79</u>
Total Other Charges	11,571.60	-100.00	-11,671.60	11,571.60	5,497.81	-6,073.79
TOTAL	<u>50,143.60</u>	<u>18,828.84</u>	<u>-31,314.76</u>	<u>50,143.60</u>	<u>23,823.86</u>	<u>-26,319.74</u>

So, even though there is some additional work involved when you use Estimates and Progress Invoice on your Cost Plus or Time & Materials Jobs, I hope you agree that the extra work pays off in far more accurate reports.



### About the Author:

Nancy Smyth has been a Certified QuickBooks ProAdvisor since the inception of the program in 1999; as President of Sunburst Software Solutions, Inc., she is a key player in the development of several QuickBooks Add-Ons for the construction industry. She is also the author of the [QuickBooks for Contractors blog](#) and the [Learn to use QuickBooks in your construction business](#) website. To learn more about automating Certified Payroll, AIA Billing and Payroll Wage Management, visit <http://www.SunburstSoftwareSolutions.com>

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