



QUICKBOOKS DESKTOP 2017 STUDENT GUIDE

Lesson 4

Work with Bank Accounts

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Lesson Objectives

- Learn how to work with registers for QuickBooks bank accounts
- Demonstrate how to open a register
- Learn the features common to all registers
- Learn when and how to make entries directly in the register
- Demonstrate how to reconcile a QuickBooks bank account

Write a QuickBooks Check



Step-by-Step: Write a Check

1. In the Banking area of the Home page, click **Write Checks** (or press **CTRL+w**).

Write Checks - Checking

Main Reports

Find New Save Delete Memorize Create a Copy Print Print Later Pay Online Attach File Select PO Enter Time Clear Splits Recalculate Batch Transactions Reorder Reminder Order Checks

BANK ACCOUNT: 10100 - Checking ENDING BALANCE: 46,969.10

NO.: 269
DATE: 02/28/2021
PAY TO THE ORDER OF: Dianne's Auto Shop \$ 231.00

Two hundred thirty-one and 00/100* ***** DOLLARS

ADDRESS: Dianne's Auto Shop, Dianne Bradley, 29834 Mustang Ave., Millbrae, CA 94030

MEMO: Monthly Vechiicle Repairs and Maintenance

Expenses: \$231.00 Items: \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER:JOB	BIL...	CLASS
60100 - Automobile:6...	231.00	Monthly Vechiicle Repairs and Maintenance	Overhead	<input type="checkbox"/>	Overhead

Save & Close Save & New Revert

2. In the *Pay to the Order of* field, choose the name of the vendor you wish to pay.
If the Open Bills Exist window pops up, you may choose the option to **Go to Pay Bills** instead.
3. Complete the remaining information on the check.
4. Click **Save & Close**.

NOTES

Use Bank Account Registers



Step-by-Step: Open a Register (when no form is open)

1. From the Lists menu, choose **Chart of Accounts**.

NAME	TYPE	BALANCE TOTAL	ATTACH
10100 - Checking	Bank	46,969.10	
10300 - Savings	Bank	17,910.19	
10400 - Petty Cash	Bank	500.00	
11000 - Accounts Receivable	Accounts Receivable	93,007.93	
12000 - Undeposited Funds	Other Current Asset	2,440.00	
12100 - Inventory Asset	Other Current Asset	30,683.38	
12800 - Employee Advances	Other Current Asset	832.00	
13100 - Pre-paid Insurance	Other Current Asset	4,050.00	
13400 - Retainage Receivable	Other Current Asset	3,703.02	
15000 - Furniture and Equipment	Fixed Asset	34,326.00	
15100 - Vehicles	Fixed Asset	78,936.91	
15200 - Buildings and Improvements	Fixed Asset	325,000.00	
15300 - Construction Equipment	Fixed Asset	15,300.00	
16900 - Land	Fixed Asset	90,000.00	
17000 - Accumulated Depreciation	Fixed Asset	-110,344.60	
18700 - Security Deposits	Other Asset	1,720.00	

Account ▾ Activities ▾ Reports ▾ Attach Include inactive

- In the Chart of Accounts, double-click the balance sheet account whose register you wish to view (this will work for all balance sheet accounts with the exception of Retained Earnings).

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
12/15/2021	10074	Elizabeth N. Mason	907.92		51,910.39
		PAY CHK -split-			
12/15/2021	10075	Gregg O. Schneider	1,033.98		50,876.41
		PAY CHK -split-			
12/15/2021	10076	Dan T. Miller	1,350.15		49,526.26
		PAY CHK -split-			
12/15/2021	10077	Elizabeth N. Mason	932.92		48,593.34
		PAY CHK -split-			
12/15/2021	10078	Gregg O. Schneider	1,062.12		47,531.22
		PAY CHK -split-			
12/15/2021	10079	Gregg O. Schneider	1,062.12		46,469.10
		PAY CHK -split-			
12/15/2021	SEND			500.00	46,969.10
		TRANSF: 10300 - Savings			
1/5/2021	Number	Payee	Payment	Deposit	
	Account	Memo			

ENDING BALANCE **46,969.10**

Sort by: 1-Line 2-Line

Sort by:

- Review features common to all registers:

- The register shows every transaction that affects an account's balance and lists them in chronological order (unless another order is chosen in the Sort by drop-down box in the lower left corner of the register window)
- The columns in the register give specific information about the transaction
- On every transaction line, QuickBooks shows the account's running balance
- The Ending Balance for a register is the account's running balance for all dates after all transactions have been entered, including checks, whether or not they have been printed
- The register may be changed from a 2-line-per-transaction display, as in the example shown, to a 1-line-per-transaction display by putting a checkmark next to 1-Line in the bottom left corner of the register window. The 1-line display is easier on the eyes but provides less detailed information.
- A horizontal blue line separates all transactions entered for this register up to and including today (today is recognized according to your calendar in Windows) from transactions that are post-dated

- Close the register window.
- Close the Chart of Accounts.

NOTES

Enter a Handwritten Check

Sometimes you need to write a check by hand on the spot for items or services you did not plan to purchase. QuickBooks lets you write the check then enter it later in the checking account register or on the check form.



Step-by-Step: Enter a Handwritten Check in the Checking Account Register

1. From the Banking drop-down menu choose **Write Checks**.
2. Ensure the proper account is selected in the **Bank Account** drop-down at the top of the check.
3. Click in the No. (check number) field in the blank transaction and enter the number from the handwritten check. (If the No. field says To Print, uncheck the **Print Later** box on the toolbar at the top of the check in the Main tab of the ribbon.)
4. Enter the information from the handwritten check and assign it to the corresponding expense account.
5. **Save & Close**.

NOTES

Transfer Money Between Accounts

The Transfer Funds feature in QuickBooks allows you to move money from one balance sheet account to another. These transactions may reflect funds transfers from one bank account to another, movement of money from a bank to an asset account, or even payment against a credit card or liability account. (This feature is especially useful in a multicurrency environment when transferring funds between accounts of different currencies and the bank has assigned a specific exchange rate to the transfer.)



Step-by-Step: Transfer Money

1. From the Banking menu, choose **Transfer Funds**.

The screenshot shows the 'Transfer Funds' window in QuickBooks. The window title is 'Transfer Funds Between Accounts'. The form includes the following fields and values:

Field	Value
DATE	11/25/2021
CLASS	
TRANSFER FUNDS FROM	10100 - Checking
ACCOUNT BALANCE	46,969.10
TRANSFER FUNDS TO	10300 - Savings
ACCOUNT BALANCE	17,910.19
Online Funds Transfer	<input type="checkbox"/>
TRANSFER AMOUNT	42,300.00
MEMO	Funds Transfer

Buttons at the bottom: Save & Close, Save & New, Revert.

2. In the Transfer Funds From field, choose the account from which you are transferring the money.
3. In the Transfer Funds To field, choose the account to which the money is being transferred.
4. Enter the amount you wish to transfer in the Transfer Amount field.
5. Click **Save & Close**.

NOTES

Reconcile Bank Accounts

Your bank sends you a statement for each of your accounts each month (or you can view it online using your online banking credentials). The statement shows all the activity in your account since the previous statement:

- Opening balance
- Ending balance
- Amount of interest earned
- Service charges
- Checks and other withdrawals that have cleared the bank
- Deposits made
- Other transactions affecting the balance of the account



Step-by-Step: Reconcile a Checking or Savings Account Statement

1. From the Banking drop-down, choose **Reconcile**.
2. In the Account drop-down, choose the appropriate bank account from the list.

Begin Reconciliation

Select an account to reconcile, and then enter the ending balance from your account statement.

Account: 10100 - Checking

Statement Date: 11/30/2021

Beginning Balance: 71,452.58

Ending Balance: 71,426.52

What if my beginning balance doesn't match my statement?

Enter any service charge or interest earned.

Service Charge	Date	Account	Class
0.00	11/30/2021	60600 - Bank Service Charges	
Interest Earned	Date	Account	Class
0.00	11/30/2021		

Buttons: Locate Discrepancies, Undo Last Reconciliation, Continue, Cancel, Help

3. In the Statement Date field, enter the closing date of the statement you wish to reconcile.
4. In the Ending Balance field, enter the ending balance on the statement you wish to reconcile.
5. Click **Continue**. Proceed to next exercise.

NOTES

Mark Cleared Transactions



Step-by-Step: Mark Transactions as Cleared

1. Place a checkmark in the box next to Hide transactions after statement's end date to show only transactions dated up to and including the statement end date.
2. In the Checks and Payments section of the window on the left side, match the transactions with the checks and payments on your statement. Place a checkmark next to each transaction in QuickBooks that appears on your statement. This marks the transaction as cleared in your QuickBooks register.
3. In the Deposits and Other Credits section of the window on the right side, place a checkmark next to each transaction that matches your statement to mark the deposits as cleared in the register.

You can open a transaction to view it and make changes, if necessary, by double-clicking on the transaction in the reconciliation window.

4. When you are done with this process, the Difference in the bottom right corner should be zero. When this difference is zero, *and only when this difference is zero*, click **Reconcile Now**.

For period: 11/30/2021 Hide transactions after the statement's end date

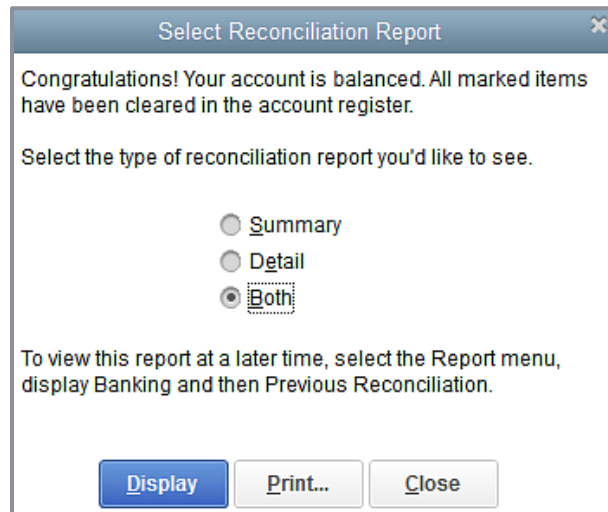
Checks and Payments					Deposits and Other Credits				
DATE	CHK #	PAYEE	AMOUNT		DATE	CHK #	PAYEE	TYPE	AMOUNT
✓ 10/31/2021	433	Sergeant Insurance	712.56		✓ 11/30/2021	41077	Melton, Johnny...	PMT	4,135.50
✓ 10/31/2021	436	Bayshore Water	24.00						
✓ 11/14/2021	451	Larson Flooring	3,200.00						
✓ 11/19/2021	460	City of Bayshore	225.00						
11/28/2021	464	Hopkins Constructio...	300.00						
11/28/2021	465	Keswick Insulation	500.00						
11/28/2021	466	McClain Appliances	600.00						
11/28/2021	467	Lew Plumbing	800.00						
11/28/2021	468	Timberloft Lumber	6,790.00						
11/28/2021	469	Sloan Roofing	2,000.00						

Highlight Marked Mark All Unmark All Go To Matched Columns to Display...

Beginning Balance	71,452.58	
Items you have marked cleared		
1 Deposits and Other Credits	4,135.50	
4 Checks and Payments	4,161.56	
Cleared Balance	71,426.52	
Difference	0.00	

 Service Charge 0.00
 Interest Earned 0.00
 Ending Balance 71,426.52
 Cleared Balance 71,426.52
 Difference 0.00

5. In the Select Reconciliation Report window you can choose to display or print your reconciliation reports. It is important to print both the Summary and Detail reports, and a best practice to save them as PDFs for future reference.



NOTES

View Cleared Checks in the Register



Step-by-Step: View Cleared Checks in the Register

1. From the Banking menu, choose **Use Register**.
2. Choose the account register you wish to view from the list. (An alternate way to view the register is to open the Chart of Accounts and double-click on the account whose register you wish to see.)
3. Scroll through the register to view the cleared items:
 - **Checkmark** = cleared on a completed reconciliation
 - **Asterisk** = cleared on a pending reconciliation
 - **No mark** = not cleared



WARNING: You are able to change the reconciliation status of a transaction from within the register. **Do not do it!** Manually changing reconciliation status in the register has a negative impact on future reconciliations.

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
TYPE	ACCOUNT	MEMO			
1/25/2021	DEP	12000 - Undeposited Funds	Deposit	1,200.00	92,613.36
1/25/2021	DEP	12000 - Undeposited Funds	Deposit	4,264.78	96,878.14
1/25/2021	PMT	Cook, Brian:Kitchen		4,225.41	101,103.55
1/25/2021	PMT	11000 - Accounts Receivable		5,435.00	106,538.55
1/25/2021	DEP	12000 - Undeposited Funds	Deposit		
1/25/2021	463	Cal Gas & Electric	97.53		106,441.02
1/25/2021	CHK	65100 - Utilities:65110 - Gas and Electric	Acct #560-82645-99C	42,300.00	64,141.02
1/25/2021	TRANSF	10300 - Savings	Funds Transfer		
1/28/2021	464	Hopkins Construction Rentals	300.00		63,841.02
1/28/2021	BILLPMT	20000 - Accounts Payable			
1/28/2021	465	Keswick Insulation	500.00		63,341.02
1/28/2021	BILLPMT	20000 - Accounts Payable			
ENDING BALANCE					46,969.10

4. If you open a check that has cleared via a reconciliation, you will see a green checkmark along with the word Cleared stamped on the face of the check.
5. Close the account register.

Locate Specific Transactions

You can use the QuickBooks Find command to search for specific checks you've written (and other transactions as well). For example, suppose you want to find all checks greater than or equal to \$500 that you've written during the current year.



Step-by-Step: Use the Find Feature

1. From the Edit menu choose **Find** (or press **CTRL+f**) then select the **Advanced** tab.
2. Choose the filter(s) you would like to use. You can choose multiple filters by setting one, choosing another from the list, setting that one and so on. In the example below, the Amount filter is set to include transactions with amounts between \$500 and \$750, and dates from December 1, 2021, through December 31, 2021 (in the Current Choices filters summary, that date range is simply displayed as Custom). No filter was used for Transaction Types, so all Transaction Types have been included. However, you could have used a Transaction Type filter for one particular transaction type (e.g., Bill) or Multiple Transaction Types (e.g., Check, Bill, Bill Payment, Sales Tax Payment, and Paycheck).

The screenshot shows the 'Find' dialog box in QuickBooks, with the 'Advanced' tab selected. The 'CHOOSE FILTER' section has 'Amount' selected. The 'Amount' filter is set to 'From 500.00 To 750.00'. The 'Current Choices' section shows the following filters:

FILTER	SET TO
Amount	500.00 to 750.00
Date	Custom
Detail Level	Summary only
Posting Status	Either
Zero Reorder Qty	Hide

The results table below shows the following transactions:

DATE	TYPE	NUM	NAME	ACCOUNT	MEMO	AMOUNT
12/15/2021	BILLPMT	501	Wheeler's Tile Etc.	10100 - Checking	H-18756	-625.00
12/15/2021	TRANSFR			10300 - Savings	Funds Transfer	-500.00
12/15/2021	BILL		Keswick Insulation	20000 - Accounts...		-670.00
12/15/2021	BILLPMT	502	Daigle Lighting	10100 - Checking		-640.92
12/15/2021	BILLPMT	511	East Bayshore To...	10100 - Checking		-696.52
12/15/2021	BUILD	9002		12100 - Inventory...		589.10
12/15/2021	BILL	8059	Thomas Kitchen ...	20000 - Accounts...		-585.00
12/12/2021	BILL		Washuta & Son P...	20000 - Accounts...		-600.00
12/12/2021	BILLPMT	499	East Bayshore A...	10100 - Checking	Monthly Truck Pa...	-532.97

Buttons for 'Find', 'Reset', 'Close', 'Go To', 'Report', and 'Export...' are visible on the right side of the dialog box. The 'Number of matches: 21' is displayed at the bottom right.

3. Click the blue **Find** button to search. To clear your filters and start fresh with a new Find, click the **Reset** button.
4. From the results grid, double-click on the transaction you would like to view to open it.

You can also create a Find Report or export the results of the grid to Microsoft Excel® by selecting the **Report** or **Export** buttons.

5. Close the **Find** window.

NOTES

Use Bank Feeds

Bank feeds allow users to download bank and credit card transactions directly into their QuickBooks file.



Step-by-Step: Use the Bank Feed Feature

1. From the menu bar, select **Banking** → **Bank Feeds** → **Bank Feeds Center**. If this is your first time using the Bank Feeds Center, click on the **Add Account** button in the top left corner and follow the prompts to set up your account information.

The screenshot displays the 'Bank Feeds' window in QuickBooks. At the top left, the 'Add Account' button is highlighted with a red box. The main area is divided into several sections:

- BANK ACCOUNTS:** A list of accounts with their balances. The 'ANYTIME Financial' Checking account is highlighted in green, showing a balance of \$46,219.10.
- CREDIT CARD:** A list of credit cards, including 'QuickBooks Credit Card' with a balance of \$94.20.
- Account Information:** A detailed view of the selected 'ANYTIME Financial' account, showing the ending balance of \$5,035.66 and the ending balance in QuickBooks of \$46,219.10. A 'Transaction List' button is highlighted with a red box.
- Read messages from your bank:** A section for managing messages, including 'Messages Received (0)', 'Payment Inquiry Responses (0)', and 'Alerts (0)'. Below this is a 'Manage your account' section with links for 'Contact your bank' and 'Disable bank feeds'.
- Send items to your bank:** A section for sending items, including 'Online Checks (0 of 0)', 'Bill Payments (0 of 0)', 'Transfers (0 of 0)', 'Messages (0 of 0)', 'Payment Inquiries (0 of 0)', and 'Payment Cancellations (0 of 0)'. There are 'Send Items' and 'Create New' buttons.

- From the Bank Feeds window, click the **Transaction List** button to view and process transactions. If this button says Download Transactions, this means all previously downloaded transactions have already been posted to QuickBooks. Press the **Download Transactions** button to download available transactions from the bank.
- Use the grid to enter additional information about the downloaded transaction (payee, account the expense or deposit should be mapped to, transaction number, etc.). This is how the transaction will appear in your QuickBooks register.
- To process transactions individually, use the drop-down menu in the **Select** column.

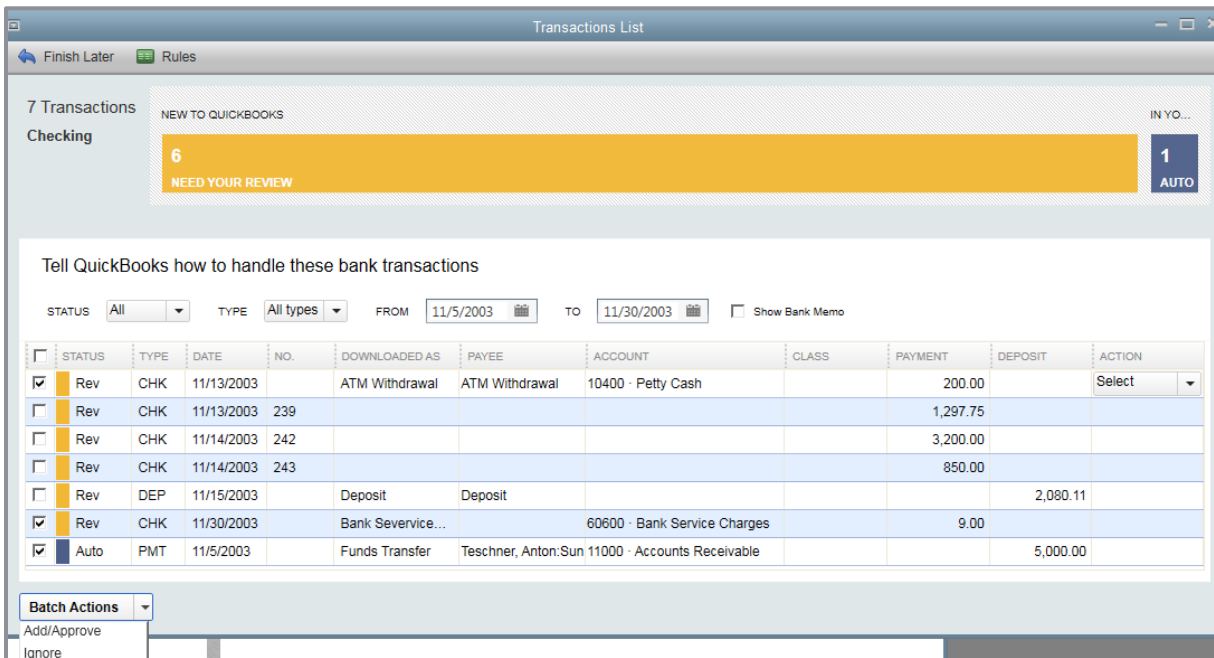
Tell QuickBooks how to handle these bank transactions

STATUS: All | TYPE: All types | FROM: 11/05/03 | TO: 11/30/03 | Show Bank Memo

STATUS	TYPE	DATE	NO.	DOWNLOADED AS	PAYEE	ACCOUNT	CLASS	PAYMENT	DEPOSIT	ACTION
<input checked="" type="checkbox"/>	Rev	CHK	11/13/03		ATM Withdrawal	ATM Withdrawal		200.00		Select
<input checked="" type="checkbox"/>	Rev	CHK	11/13/03	239				1,297.75		Quick Add
<input checked="" type="checkbox"/>	Rev	CHK	11/14/03	242				3,200.00		Add More Details
<input checked="" type="checkbox"/>	Rev	CHK	11/14/03	243				850.00		Select Bills to Mark as Paid
<input checked="" type="checkbox"/>	Rev	DEP	11/15/03		Deposit	Deposit			2	Match to Existing Transaction
<input checked="" type="checkbox"/>	Rev	CHK	11/30/03		Bank Service Charge			9.00		Ignore
<input checked="" type="checkbox"/>	Auto	PMT	11/05/03		Funds Transfer	Teschner, Anton:Sun Room	11000 · Accounts Receivable		5,000.00	

Batch Actions

- To process multiple transactions at once, place a checkmark in the far left column and use the **Batch Actions** drop-down in the bottom left corner of the window.



- Close the window when you are finished. After the transactions have been accepted, they will appear in the appropriate register.

NOTES

Work with Bank Accounts – Review Questions

1. What does the ending balance in a QuickBooks bank account register represent?
 - a. Only transactions that have been printed
 - b. All transactions entered in the register, including checks that haven't yet been printed
2. True or false: All income and expense accounts have a register associated with them in QuickBooks.
 - a. True
 - b. False
3. _____ is the process of making sure your checking account record matches the bank's records.
4. How can you determine whether or not a check has been cleared in QuickBooks?
 - a. A checkmark displays in the bank account register
 - b. The word Cleared is stamped on the check in QuickBooks
 - c. Both of the above
 - d. Neither of the above
5. True or false: If you are tracking bills with Accounts Payable and have already entered a bill, you should pay the bill by writing a check from the Write Checks window.
 - a. True
 - b. False
6. Which of the following might affect a bank account reconciliation?
 - a. Interest
 - b. Depreciation
 - c. Service charges
 - d. Both a and c
 - e. All of the above

Review Activities

- Use the checking account register to enter a handwritten check for \$76.95. Use the next available check number and make the check payable to *Express Delivery Service* for delivery of a *new sign*. Assign the check to the **Freight & Delivery** expense account.
- Write a QuickBooks check to *Bayshore Water* for \$143.87 to pay this month's water bill. Assign the check to the **Utilities:Water** expense account.
- Find all the checks in the sample file that were written for amounts between \$3000 and \$4,000. How many checks are there?

Answers to Review Questions

1. What does the ending balance in a QuickBooks bank account register represent?
 - a. Only transactions that have been printed
 - b. ✓ *All transactions entered in the register, including checks that haven't yet been printed*
2. True or false: All income and expense accounts have a register associated with them in QuickBooks.
 - a. True
 - b. ✓ *False. Only balance sheet accounts (excluding Retained Earnings) have registers associated with them.*
3. *Reconciling* is the process of making sure your checking account record matches the bank's records.
4. How can you determine whether or not a check has been cleared in QuickBooks?
 - a. A checkmark displays in the bank account register
 - b. The word Cleared is stamped on the check in QuickBooks
 - c. ✓ *Both of the above*
 - d. Neither of the above
5. True or false: If you are tracking bills with Accounts Payable and have already entered a bill, you should pay the bill by writing a check from the Write Checks window.
 - a. True
 - b. ✓ *False. You should use the Pay Bills window to write the check.*
6. Which of the following might affect a bank account reconciliation?
 - a. Interest
 - b. Depreciation
 - c. Service charges
 - d. ✓ *Both a and c*
 - e. All of the above