



Writing Checks
Cash Basis and Bills for Payment

Contents:
 Create Check
 Trial Pass Check Report
 Print Check
 Multiple Check Printing
 Create Bill for Payment
 Pay a Bill
 Print Check
 Configure Reports for Accruals

This procedure explains how to prepare non-payroll checks. For **Payroll and Payroll Liability Checks**, see [Payroll](#) procedures. For **Bill Payment checks**, see section *“Create a Bill for Payment (Payables)”*.

Create a Check Transaction (Cash Basis)

Be sure to record the appropriate **Account** and **Class** numbers for each check on the **Expenses** tab.

- Select **Banking** from the menu bar. (or, select the Write Checks icon from the Banking Navigator Window.)
- Select **Write checks**
- Make sure that the correct bank account (checking or savings) is selected.
- Make sure **“To be Printed”** box (just below the signature portion of check) has a checkmark in it to allow QuickBooks to control and track all check numbers. (This is highly recommended)
- Select a name from the drop-down list in the **Pay to the Order** field. (If the name is not on the drop-down list, **Quick Add** the name by typing in the name and pressing the [Tab] key or by selecting **<Add New>** from the drop-down list.)
- Enter the total amount of the check in the **Amount** field.
- Fill in the **Memo** field (optional). Information to appear on the check
- Select appropriate **Account** number (s).
- Enter the **amount** of the expense.
- Describe the expense in the **2nd Memo** Field. Information will appear on ledger report
- Skip the Customer: Job field.
- Review data and click **Save & Close** to record the check or click **Save & New** to record the check and enter another check.

Bank Account: 0050 - Checking Ending Balance: 58,472.07

Pay to the Order of: Waste Management of St. Louis, Inc. No. To Print: Date: 09/28/2001

Amount: \$ 73.45

Seventy-three and 45/100***** Dollars

Address: Waste Management of St. Louis
P. O. Box 9001054
Louisville, KY 40290-1054

Memo: Acct. 500-0000067-2052-8/Refuse hauling for Sept.

Expenses: \$73.45 Items: \$0.00 To be printed

Account	Amount	Memo	Customer:Job	Class
6400 - Other Contract Services:6420	73.45	Refuse hauling for September		1000 County Appropri
	0.00			

Trial Pass for Checks Report

Before printing the check(s)

- Select **Reports, Memorized Reports, Trial Pass for Checks**.
- Print the report and review it to make sure all the information is correct.
- If corrections need to be made, go to Banking, Use Register, select the check that needs to be changed and then edit the transaction.

When you are ready to print the check

Select **File, Print Forms, Checks**.

- Confirm that the date and check number are correct.
- Select the checks that you wish to print. Click OK.

Select Checks to Print

Bank Account: 0050 - Checking First Check Number: 10885

Select Checks to print, then click OK.

✓	Date	Payee	Amount
✓	09/28/2001	Waste Management of St. Louis, Inc.	73.45

Buttons: OK, Cancel, Help, Select All, Select None

Multiple Check Printing

A group of checks can be prepared and then processed for printing at a later time. You can Select All to print them all or you can Select None (removes all check marks) and Select only the check or checks that you want to print

Select Checks to Print

Bank Account: 0050 - Checking First Check Number: 10886

Select Checks to print, then click OK.

✓	Date	Payee	Amount
✓	09/28/2001	Best Buy Co., Inc.	1,619.98
✓	09/28/2001	Bornhop, Gail	24.80
✓	09/28/2001	Goellner Printing & Office Supply	558.00
✓	09/28/2001	Mow-Hawk Lawn Care Service, Inc.	272.00
✓	09/28/2001	McCarthy Pest & Termite Control, Inc.	58.00
✓	09/28/2001	Office Depot Credit Plan	584.10
✓	09/28/2001	Pitney Bowes, Inc.	178.45
✓	09/28/2001	Sigmund Television	12.50

Buttons: OK, Cancel, Help, Select All, Select None

Create a Bill for Payment [Payable]

If you are required to accrue expenses, then use QuickBooks' Vendor, Enter Bills feature to record outstanding vendor expenses. Accrued Expense is a method of bookkeeping in which expense is recorded at the time you purchase items or receive services. Under this method, the time when you enter a transaction and the time you actually pay a vendor bill may be two separate events. In QuickBooks, an accrual basis report shows outstanding expenses from all your vendors to whom you owe money.

Issues:

- ★ A Vendor bill must be created.
- ★ Do NOT use the Write checks screen.
- ★ A class code is required.
- ★ Do NOT use the **Discount** feature.

The bill(s) must be entered through the **Pay Bills** feature.

- Select **Vendors – Enter Bills** (or select the Enter Bills Icon from Vendors Navigator window)
- Select a **Vendor** from the drop-down list in the Vendor field.
- Select appropriate **Date**.
- Fill in the Ref. No. and Memo fields if needed.
- Enter the total amount of the bill in the **Amount Due** field.
- Assign the amount of the bill to the proper accounts under the **Expenses** tab.
- Enter a description under **Memo**.
- When all information is correct, click **Save & Close** to record the bill, or click **Save & New** to record the bill and enter another.

Do not enter a bill and then pay it through the Write Checks screen. The payment will not be linked to the bill – resulting in the bill showing as “unpaid” indefinitely.

Enter Bills (Editing Transaction...)

Previous Next History

Bill Credit Bill Received

BILL

Vendor: Da-Com Corporation Date: 10/01/2001

Ref. No.:

Amount Due: 551.25

Terms: Bill Due: 10/15/2001

Memo: Maint. agreement on Risograph

Expenses: \$551.25 Items: \$0.00

Account	Amount	Memo	Customer/Job	Class
7300 - Repairs/Maintenance:7315	551.25	Main. agree. on Risograph fi		1000 County Apprc
	0.00			

Clear Splits Recalculate Save & Close Save & New Clear

To pay a Vendor Bill created in the Enter Bill screen:

- Select **Vendors, Pay Bills**
- Select the bill to be paid by clicking in the column preceding the vendor name.
- Confirm the date and payment method are correct.
- Select the **To be printed** check box.
- **Do not use the Discount feature! Due to Class Tracking, this will cause major problems and it is difficult to get rid of!!!**
- Click **Pay & Close** to record the payment(s) or click **Pay & New** to record the payment and enter more.

✓	Date Due	Vendor	Ref. No.	Bill Amt.	Amt. Due	Disc. Date	Amt. Paid
✓	10/15/2001	Da-Com Corporation		551.25	551.25		551.25
		Character Counts Coal		-19.25	-1.70		0.00
Totals				532.00	549.55		551.25

The check transaction will be placed in the list of checks waiting to be paid. (to be printed.)

To Print the check:

- Select **File, Print Forms, Checks**

✓	Date	Payee	Amount
✓	10/19/2001	Da-Com Corporation	551.25

Configuring Reports for Accruals

Since Accounts Payables (and also Receivables) are considered **accrued** expense (income), these Bill transactions are recorded in the month in which the transaction occurred. However, vendor payment may be paid in the following month.

When configuring a report that captures **accrued transactions** (Accounts Receivables or Payables) i.e. **Ledger, Accounts Payable, or Monthly Income and Expense Summary** reports, the following adjustments should be made to capture the original **Bill** transaction.

Under the **Modify Report** button, **Display**

→ Report Basis = **Accrual**

Under the **Filters** button,

Transaction types also should include **Bill, Bill Payment (Invoice, Payment for Receivables)**

Accounts filter also should include **Accounts Payable (Accounts Receivable for accrued income)**.

When configuring any report that captures the **actual check written to a vendor to pay a bill**, i.e. **Funds Class Balance Report**, (or actual receipt of customer money), the following adjustments should be made to capture the check or bill payment transaction.

Under the **Modify Report** button, **Display**

→ Report Basis = **Cash**

Under the **Filters** button,

Transaction types also should include **Bill, Bill Payment (Invoice, Payment for Receivables)**

Accounts filter – Accounts Payables (Receivables) should **NOT be checked**).

The major distinction between a Report that captures accrued transactions and a Report that calculates Class Balances or total Checkbook balance is the **REPORT BASIS**.

NOTE: The exclusion of the Accounts Payable (Accounts Receivable) from the Accounts filter does not alter the Funds Class Balance Report. However, it does eliminate the incorrect display of the negative sign for positive class balances.