

# Estimating and Progress Invoicing

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## Lesson 13

# Learning Objectives

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- To learn how to create job estimates
- To find an estimate in a data file
- To learn to duplicate an existing estimate
- To create an invoice from an estimate
- To display project reports for estimates
- To update a job's status
- To make an estimate inactive

# Turning on estimates and progress invoicing

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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.
4. Click **Yes** for "Do You Create Estimates?"
5. Click **Yes** for "Do You Do Progress Invoicing?"
6. Click OK to record your selections and close the Preferences window.

# Creating a new job

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To create a new job:

1. Click Customer Center on the icon bar.
2. In the Customers & Jobs list, select **Natiello, Ernesto**.
3. Click the New Customer & Job menu button, and then choose **Add Job**.
4. In the Job Name field, type **Bathroom remodel**.
5. Click the Job Info tab.
6. In the Job Status field, select **Pending** from the drop-down list.
7. In the Start Date field, type **1/4/2016**, and then press Tab.

# Creating a new job

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To create a new job:

8. In the Projected End field, type **2/28/2016**.
9. Press Tab to move to the End Date field, and then press Backspace to clear this field.
10. In the Job Description field, type **Remodel bathroom**.
11. In the Job Type field, choose **Remodel** from the drop-down list.
12. Click OK.
13. Click the expand arrow to show full details in the Customers & Jobs list.

# Writing an estimate

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To create an estimate:

1. In the Customers & Jobs list, select **Natiello, Ernesto:Bathroom remodel**.
2. Click the New Transactions menu button, and then choose **Estimates**.
3. Press Tab to accept Natiello, Ernesto:Bathroom remodel in the Customer:Job field.
4. Select **Custom Estimate** in the Template field.
5. Click in the Item column in the middle of the form.
6. Type **Installation**.
7. Press Tab twice to move to the Qty column.

# Writing an estimate

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To create an estimate:

8. Type **10** in the Qty column, and then press Tab.
9. Click the line under "Installation" in the Item column.
10. Type **Framing**.
11. Press Tab twice to move to the Qty column, and then type **40**.
12. In the line under Framing in the Item column, type **Rough**.
13. Press Tab three times to move to the Cost column, and then type **2500**.

# Writing an estimate

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To create an estimate:

14. Press Tab to move to the Markup column.
15. Type **15%**, and then press Tab twice.
16. Click **Save & Close** to save the estimate.
17. Click the collapse arrow to collapse the Customers & Jobs list, then close the Customer Center.

# Creating multiple estimates

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To find an estimate:

1. From the Customers menu, choose **Create Estimates**.
2. Click the magnifying glass icon on the button bar.
3. In the Customer:Job drop-down list, select **Natiello, Ernesto:Bathroom remodel**.
4. Click **Find**.
5. When QuickBooks asks if you want to save the current transaction, click **No**.
6. Keep the estimate open; you'll use it in the next exercise.

# Creating multiple estimates

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To create a duplicate of an existing estimate:

1. Right-click in the body of the estimate and choose **Duplicate Estimate**.
2. Click OK.
3. Select the number in the Qty column on the line for Installation.
4. Type **18**.
5. Click in the Item column below Lumber:Rough, and select **Cabinets:Light Pine**.
6. Press Tab twice and type **6** in the Qty column.
7. Click in the Item column below Cabinets:Light Pine and select **Cabinets:Cabinet Pulls**.
8. Press Tab twice and type **12** in the Qty column.
9. Press Tab and type **10** in the Cost field.
10. Press Tab.
11. Click **Save & Close**.

# Creating an invoice from an estimate

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To create an invoice from an estimate:

1. Click Customer Center on the icon bar.
2. In the Customers & Jobs list, select **Natiello, Ernesto:Bathroom remodel**.
3. Click New Transactions, and then choose **Invoices**.
4. Press Tab to leave the Customer:Job field.
5. Select the line for Estimate #35, and click OK.
6. Select **Create invoice for a percentage of the entire estimate**.
7. Type **33.333** in the "% of estimate" field.
8. Click OK.
9. Select **Progress Invoice**.
10. Click **Save & Close** to record the invoice.
11. Close the Customer Center.

# Displaying reports for estimates

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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**.
3. Close the report window.

# Updating job status

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To update the status of a job:

1. Click Customer Center on the icon bar.
2. In the Customers & Jobs list, select **Natiello, Ernesto:Bathroom remodel**.
3. Click **Edit Job**.
4. Click the Job Info tab.
5. In the Job Status field, select **In progress**.
6. Click OK.
7. Click the expand arrow to display the full details on the Customers & Jobs list.
8. Collapse the Customers & Jobs list, and then close the Customer Center.

# Making estimates inactive

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To mark an estimate inactive:

1. From the Reports menu, choose **Jobs, Time & Mileage**.
2. Choose **Estimates by Job** from the submenu.
3. Scroll to the section of the report that displays the estimates for Ernesto Natiello.
4. Double-click anywhere on the line for Estimate #36.
5. Click to clear the checkmark in the Estimate Active checkbox.
6. Click **Save & Close**.
7. Answer **Yes** to the message asking if you want to save the changes you made to the transaction.
8. Close the report.



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**LESSON 13    Review questions  
and activities**



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## **Lesson 13: Estimating and progress invoicing**

### **Review questions**

- 1** QuickBooks tracks estimates using what kind of account?
  - a** Posting
  - b** Non-posting
- 2** True or false: QuickBooks allows you to create multiple estimates for a single customer.
  - a** True
  - b** False
- 3** Which of the following is not an option when creating an invoice from an estimate?
  - a** Create an invoice for the entire estimate
  - b** Create an invoice for a percentage of the entire estimate
  - c** Create an invoice for selected items or different percentages of each item
  - d** None of the above
- 4** You prepared an estimate for a customer and were subsequently awarded the contract. How would you change the job status from “Pending” to “Awarded?”
  - a** Create the invoice from the accepted estimate—this changes the status automatically
  - b** Use the Job Status drop-down list in the customer’s record
  - c** Use the Job Status drop-down list in the Create Estimates window
  - d** None of the above
- 5** What QuickBooks feature would you use to charge customers as you complete various phases of a job?
  - a** Progress invoicing
  - b** Phased invoicing
  - c** Partial invoicing
  - d** None of the above

### **Review activities**

- 1** Create an estimate for the 75 Sunset Rd. job for Pretell Real Estate. The estimate is for 6 hours of installation labor, 18.5 hours of plumbing work, and 4 hours of drywall work.
- 2** Create a progress invoice for 50% of the estimate just created for the 75 Sunset Rd. job for Pretell Real Estate.

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## Lesson 13: Estimating and progress invoicing

### Review questions

- 1** QuickBooks tracks estimates using what kind of account?
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  - b** *Non-posting*
- 2** True or false: QuickBooks allows you to create multiple estimates for a single customer.
  - a** *True*
  - b** False
- 3** Which of the following is not an option when creating an invoice from an estimate?
  - a** Create an invoice for the entire estimate
  - b** Create an invoice for a percentage of the entire estimate
  - c** Create an invoice for selected items or different percentages of each item
  - d** *None of the above*
- 4** You prepared an estimate for a customer and were subsequently awarded the contract. How would you change the job status from “Pending” to “Awarded?”
  - a** Create the invoice from the accepted estimate—this changes the status automatically
  - b** *Use the Job Status drop-down list in the customer’s record*
  - c** Use the Job Status drop-down list in the Create Estimates window
  - d** None of the above
- 5** What QuickBooks feature would you use to charge customers as you complete various phases of a job?
  - a** *Progress invoicing*
  - b** Phased invoicing
  - c** Partial invoicing
  - d** None of the above